



SAI GON - HA NOI SECURITIES



**ANNUAL
REPORT
2015**
SAIGON-HANOI
SECURITIES
COMPANY

GENERAL INFORMATION

Trading name: Saigon – Hanoi Securities Joint Stock Company

Certificate of business registration: No. 66/UBCK-GP issued by State Securities Commission of Vietnam (SSC) dated 15/11/2007

Charter capital: VND 1,000 billion

Owner's capital: VND 1,000 billion

Address: 3rd Floor, Trade-union Conference Centre Building, No. 1, Yet Kieu St, Hoan Kiem District, Hanoi

Telephone: 84-4-38181 888

Fax: 84-4-38181 688

Website: <http://www.shs.com.vn>

Securities code: SHS

Member code: 069

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MISSION, VISION, CORE VALUES



MISSION

- Maximizing shareholder value
- Contributing to the sustainable development of Vietnam Stock Market
- Creating a professional and flexible working environment as well as career opportunities for employees
- Providing diversified and qualified financial services to SHS' clients and partners.

VISION

- Becoming a leading securities company that operates multi-functionally in accordance with investment banking model
- Being the prestige securities trademark in Asia Stock Market

CORE VALUES



Integrity

Integrity including confidentiality, honesty and trust are the basis of our credibility and reputation.



Creativity

Innovative ideas help us solve problems more effectively, enhancing service's quality and getting closer to clients.



Professionalism

We are proud that individual excellence and professionalism make a great contribution to the SHS's power.



Customer's satisfaction

We believe that SHS can always find ways to serve customers better. We're grateful and always listen to feedback for self-improvement.



SHS commits to keep being innovative and improving to meet requirements of customers by providing high quality services.

DEVELOPMENT STRATEGY IN MEDIUM AND LONG TERM

General strategy

To develop equally all business segments of a full service securities company in which brokerage and corporate financial advisory activities are core foundation.

Strategy for securities brokerage

To maintain the Company's presence in Top 5 securities companies that have largest brokerage market share in both stock exchanges. Increasing net asset value of our customers is our ultimate motivation. Besides, we concentrate on enhancing quality of our customer services and investment consulting by using modern, convenient, user-friendly technology and comprehensive risk management system.

Strategy for corporate financial advisory

To use equitization advisory as the first step to do business with enterprises, then provide them with more investment banking services that have high level of intelligence and value added such as underwriting, M&A, corporate restructuring. With that, SHS hopes to position itself as one of leading corporate financial advisories and securities brokerages in Vietnam.

Strategy for proprietary trading

To restructure investment portfolio by weighting more proportion on long-term investments in enterprises that have good foundation and sustainable growth while reducing short-term investments.

Strategy for treasury

To diversify cooperation channels and be financially self-sufficient by raising the Company's equity step by step.

Strategy for corporate governance

To improve corporate governance model with strategic directions based on best modern governance rules.

Message from The Chairman

Dear Shareholders, Partners And Clients!

Dear All!

I have invested a lot of time, dedication and affection to write this year's message to you. 2015 had marked a critical turning point for Saigon - Hanoi Securities Joint Stock Company (SHS) on most of its activities. I am delighted to inform you that with VND 118.2 billion profit achieved in 2015, SHS has officially eliminated accumulated deficit in the past. This result is truly significant to the Company as it opens the door of opportunities for SHS to improve its financial sustainability given requirements on size of charter capital amount for companies on Vietnam stock market have been gradually increased recently.

2015 had been a difficult year, more than what we forecasted it would be at the beginning of the year. At year-end trading session on 12/31/2015, VN-Index grew 6.12% achieving only three-fourths of the increase in 2014 and a bit more than one-fourth of the increase in 2013. Global economic growth rate in 2015 was only 3.1%, lower than the rate of 3.4% in 2014. Falling oil prices continued to set new record low at \$45 a barrel and then \$36.88 a barrel towards the end of the year. Other commodities such as agricultural products, metals also faced downward pressure. These factors combined had a strong impact on economies of many oil-exporting countries and commodities-exporting countries such as Brazil, Venezuela, Russia as well as Vietnam. Other factors such as increased unemployment data and falling investment flows, particularly in frontier markets and emerging markets also contributed to undermine global growth prospects.

Given the above difficult context, I hope you, especially fellow shareholders, understand why the Company did not achieve the target in 2015. Revenue of the Company reached VND 518.8 billion, profit before tax was VND 118.2 billion, equivalent to 87% and 51% of the target respectively.

From a different perspective, I believe that SHS has risen to a new level, a new position in all its core business activities. The growth rate of brokerage revenues in 2015 increased by 21% compared to 2014, higher than average growth rate of other securities companies. Since market liquidity fell to VND 2.5 trillion per session, decreased by 15% compared with 2014's levels, partly caused by the impact of regulatory restrictions on margin lending for securities investment

under Circular 36, this increase in brokerage revenue was particularly meaningful to SHS. The clearest demonstration of SHS' position in brokerage activities on Vietnam market is its stable presence in Top 10 securities companies with high market share on both exchanges. Since its first appearance in Top 10 in the second half of 2014, SHS has made a steady upward progress in brokerage market share in HOSE. End of year 2015, SHS has reached 5.3% of market share, ranked in Top 5 for the very first time. In HNX, the Company has maintained its position as one of three securities companies with largest market share with market share at 8.34%.

The same goes for corporate finance advisory business, we set an ambitious plan for this segment in the beginning of the year. Even though corporate finance revenue only reached VND 15.97 billion in 2015, equivalent to 57.9% compared to the target, this business segment in 2015 grew in both volume and quality compared to 2014. In volume, revenue growth was more than double, new corporate finance advisory contracts signed grew 32% (in which, a strong growth in listing and IPO, underwriting, public and private placement issuance). In quality, corporate finance advisory activities has gradually become a professional and core business segment with relatively large value transactions. SHS has built an enterprises-customer base strong enough to ensure that revenue stream from this business will be stable and help support other business segments. The Company is also proud to be the pioneer in consulting the implementation of SOE's divestments in which shares sold in lots. The award of Top Securities Company at the Vietnam M&A Forum 2015 is given to SHS by Vietnam Investment Review.

Nevertheless, SHS still has weaknesses besides its competitive advantage, and these weaknesses are systematic. For instance, the inability of proprietary trading to seize opportunities, the questionable stability of core trading system, the incompatible with income of each operating segment's KPI thus failing to create a strong incentive for employees... We are fully aware of these weaknesses and this area will have plenty of room for us to improve so that SHS could continue to grow further on its chosen path. We commit with the highest effort and the strongest spirit to overcome these weaknesses with proposed action plans, bringing SHS to sustainable development level.

My fellow shareholders! We've stepped into 2016, a year that, according to my assessment, has many advantages in addition to its disadvantages. Globally, the potential risks from China's economic slowdown, the Fed's possibility to raise interest

rates and the possibility of capital withdrawals from emerging markets are all negative factors. However, domestically, the forecast Vietnam's GDP growth of 6.6 – 6.9% and the benefits from two large FTAs signed, EVFTA and TPP are positive ones.

In the context of Vietnam stock market continues to re-structure, only companies that have a clear vision and strong strategy could survive and develop. SHS believe it is one of those.

We are confident and consistent with the target of being in top 5 securities companies with large brokerage market share in both stock exchanges, while at the same time improve all core business activities and develop with a full service securities company model, we will focus on the story of “growth quality” rather than “growth number”, on vertical growth than on horizontal growth. Corporate governance and risk management system will be strengthened. Enhancing the quality and qualifications of employees through specialized training programs, recruitment and high-quality human resources attraction will be prioritized.

For brokerage activities, upgrading and even changing core trading software with the goal to provide clients a smart, user-friendly and stable trading software is one of SHS' big plans in 2016. We commit to improve our quality of customer service as well as quality of investment consulting, using Net asset value (NAV) of clients as a measure.

SHS' consulting activities in 2016 continues to stick closely with policies of the Party and the Government on the privatization and divestment of SOEs. Leveraging and deeply participating in this business activity will help SHS be more proactive in corporate finance advisory business which have high levels of intelligence and high value added such as looking for a strategic partner, M&A, listing and underwriting as well as identifying investment opportunities in companies that have good fundamentals and fair value. This is how SHS will shift and restructure its investment activities in the future, from trading activities on stock exchanges to capital investments in more fundamental and long-term way.

Self-identify as one of the leading securities companies in Vietnam stock market, in 2016, SHS commits to participate more actively in consultation process for the authori-

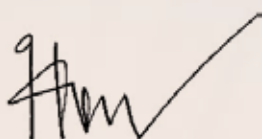


ties in developing policies as well as contribute to the community and society through charitable programs and the support to young generation.

On behalf of the Board of Directors, I would like to express sincere thanks to our valued shareholders, clients and partners as well as the authorities who have always been supported and helped us during the past. We hope you will continue to support SHS and be our companions in the future.

Warmest regards,

SAIGON – HANOI SECURITIES JOINT STOCK COMPANY
On the behalf of Board of Directors



Do Quang Hien



CÔNG TY CỔ PHẦN
CHỨNG KHOÁN SÀI GÒN - HÀ NỘI

FINANCIAL HIGHLIGHTS

Unit: VND million

Statement of Income	Year 2013	Year 2014	Year 2015
Net revenue	133,976	399,777	518,759
Net profit	11,758	122,031	118,463
Other profits	-137	63	-225
Profit before tax	11,621	122,094	118,238
Profit after tax	11,621	122,094	118,238

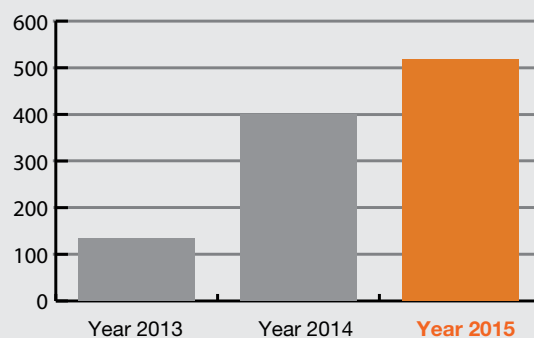
Unit: VND million

Balance Sheet	2013	2014	2015
Total assets	1,922,648	3,172,970	3,360,471
Liabilities	1,136,944	2,265,171	2,332,575
Owners' equity	785,704	907,798	1,027,896
Charter capital	1,000,000	1,000,000	1,000,000
Outstanding shares (units)	100	99,845,000	100,000,000

Financial indicators	2013	2014	2015
Net revenue / Total assets	7%	13%	15%
Profitability ratios			
Profit after tax / Total assets	1%	4%	4%
Profit after tax / Owners' capital	1%	13%	12%
Profit after tax / Charter capital	1%	12%	12%
Profit after tax / Net revenue	5%	31%	23%
Basic earnings per share	116	1,223	1,182
Financial safety ratio			
As at 31 December	220.24%	217.43%	231.01%

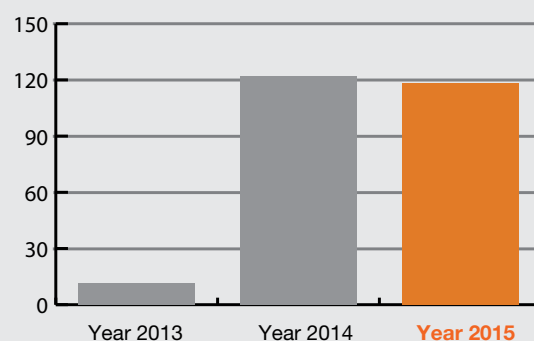
Net revenue

Unit: VND billion



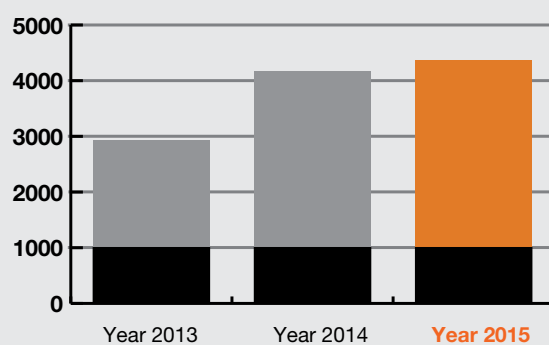
Profit before tax

Unit: VND billion

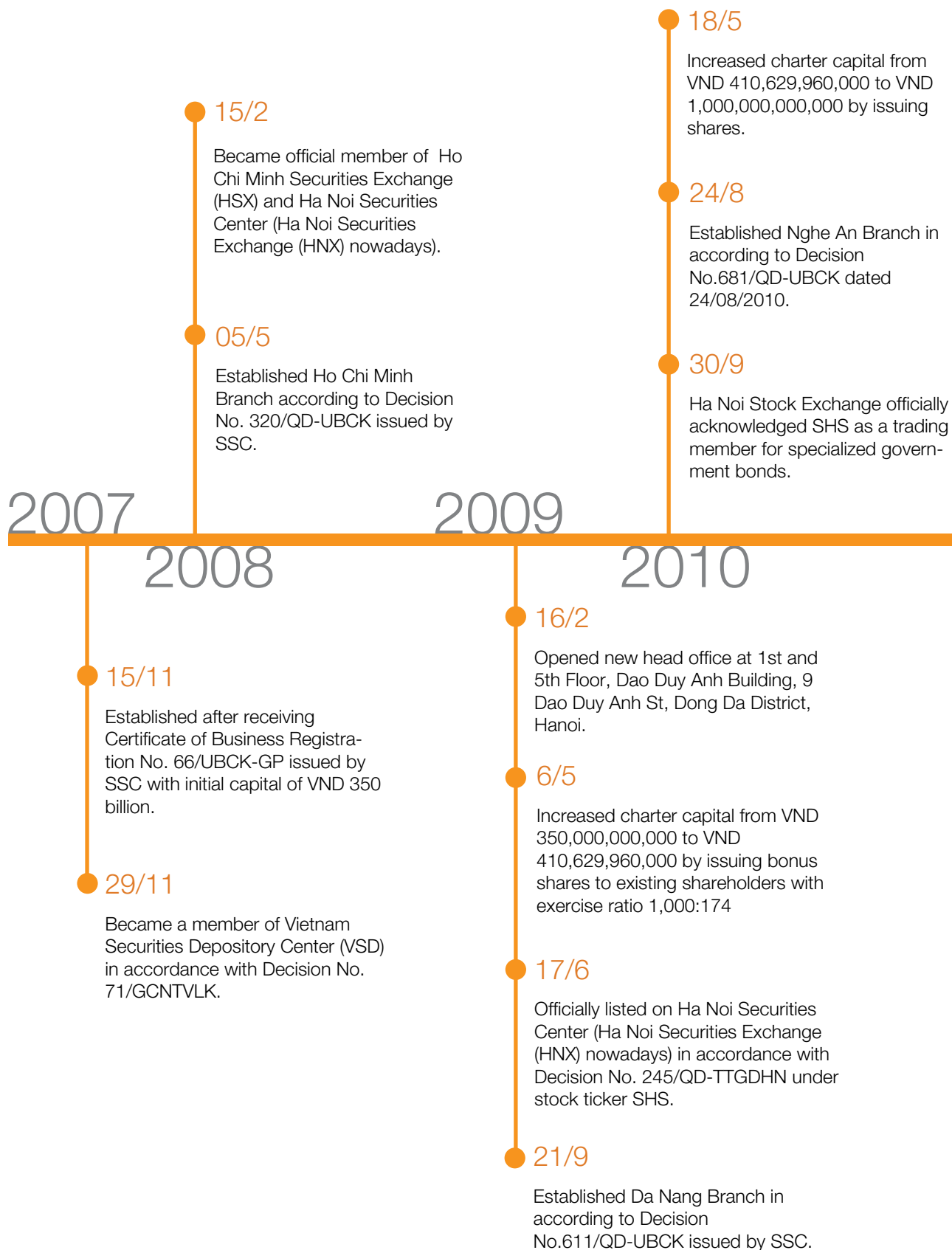


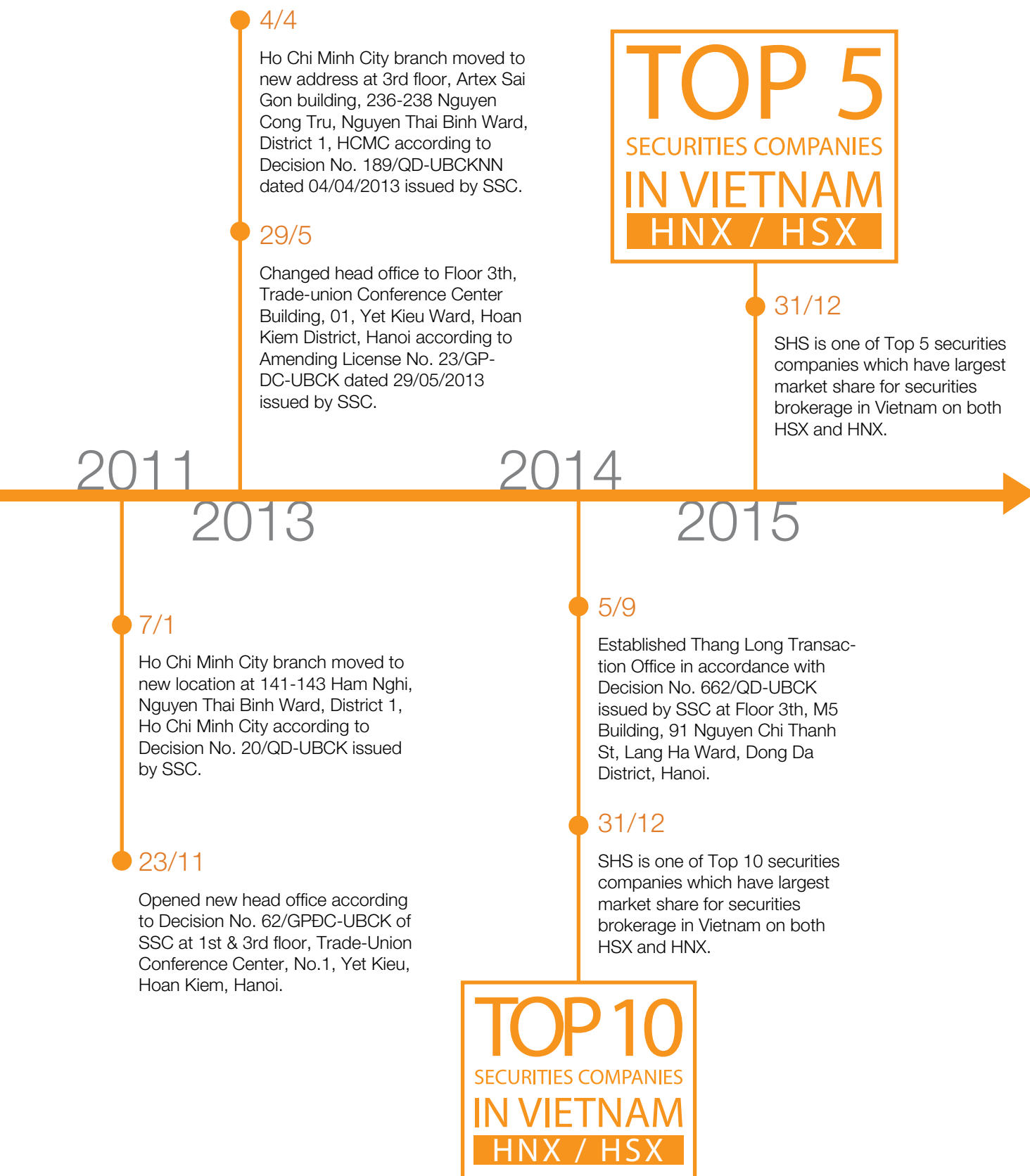
Total assets / Charter capital

Unit: VND billion



CORPORATE MILESTONES





AWARDS



Top Equitization and Divestment Consultants in 2015 in the annual M&A Forum organized by the Vietnam Investment Review.



Top securities companies period 2005 – 2015 awarded by HNX.



Top Hanoi gold Entrepreneur, Business in 2015 awarded by the Association of Hanoi Small and Medium Enterprises.



Securities company with Best IR activity, which was surveyed and voted by Tai Viet Communication Group.



Certificate of Vietnam famous brand name 2014 awarded by Vietnam Intellectual Property Association and Vietnam Union of Science and Technology Associations.



Securities company with best securities brokerage, which was organized and voted by VCCI.

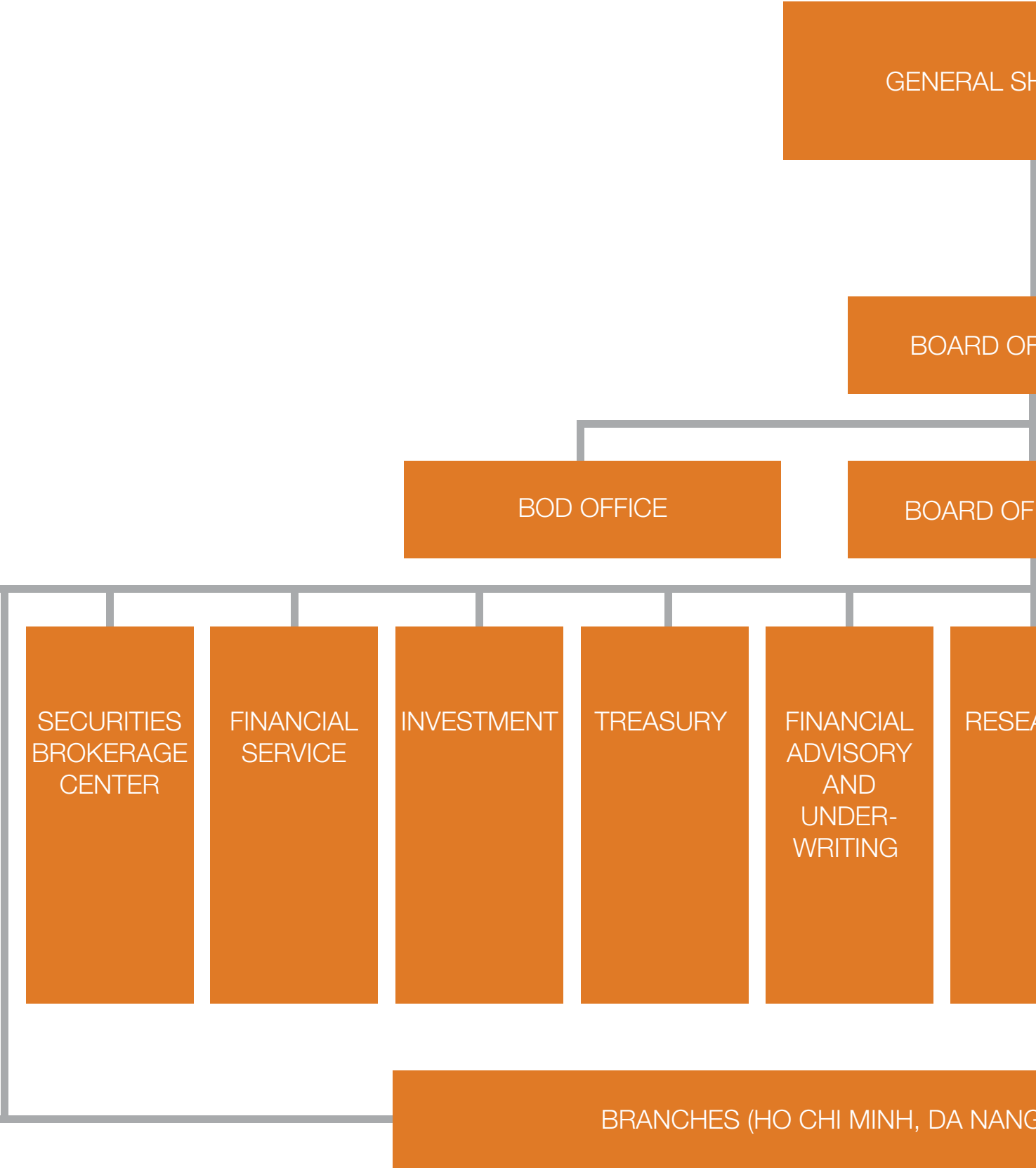


Top 50 best annual reports organized by HSX and Vietnam Investment Review.

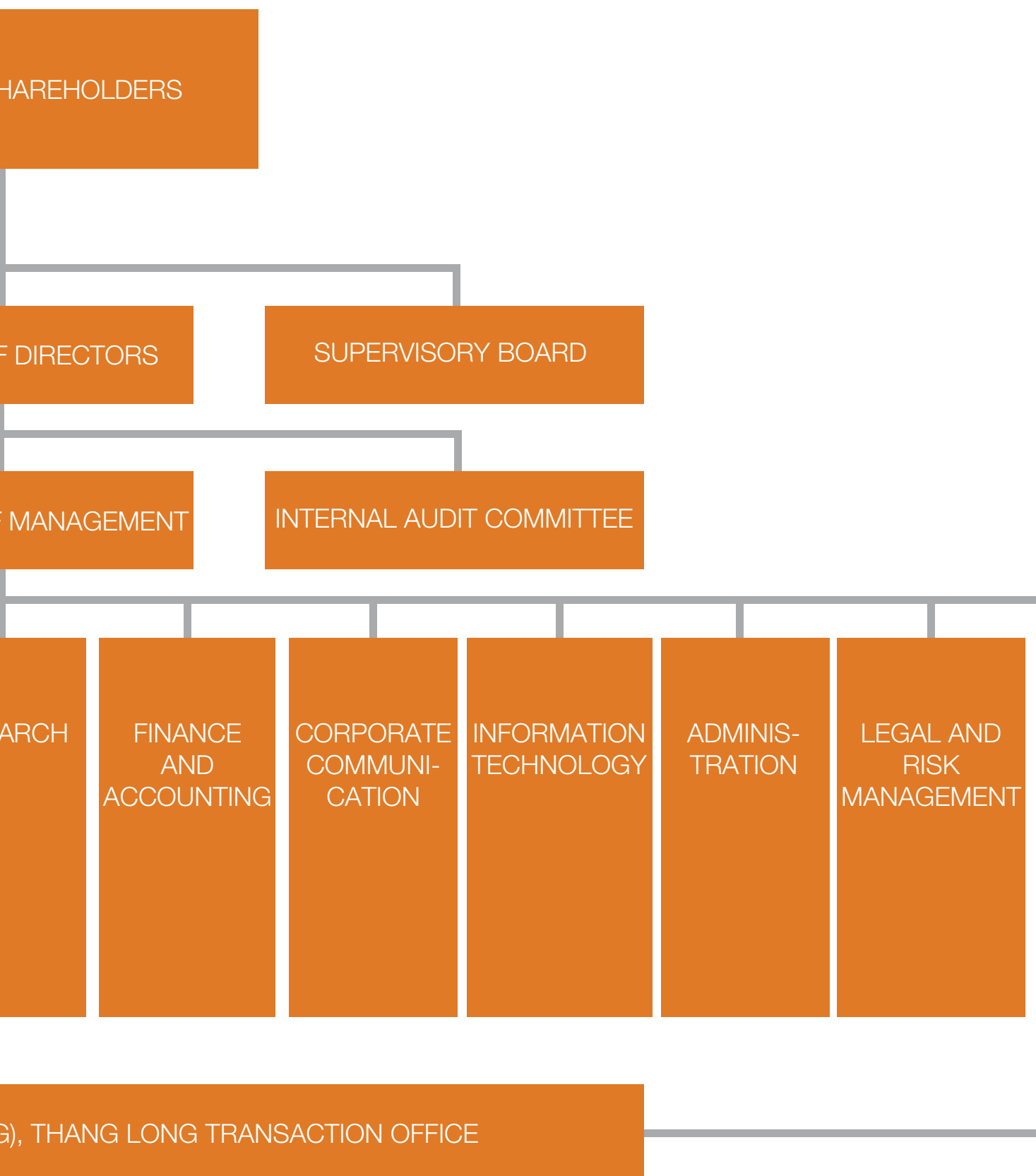
SCOPES OF BUSINESS

1	SECURITIES BROKERAGE	Broker various kinds of securities (stocks, bonds...), listed and unlisted securities including: • Open trading accounts (at SHS, via online) • Make buy/sell orders, advanced buy/sell orders through different channels (at SHS, via mobile, fax, online trading tools: SHWEB, SHMobile, SHPRO...) • Online banking for money transactions • Notify trading result via SMS • Notify matching orders results and securities account statements via email • Provide information such as trading accounts, stocks, companies • Monitor real-time account values, profit/loss of investor's holdings • Customer service hotline • Entrusted management of individual investor's trading accounts • Auction and shares auction agent • ...
2	INVESTMENT CONSULTING	• Provide daily call reports • Provide research reports (macro reports, investment advisory reports, industry research report, company reports, stock valuation reports) • Corporate access: company visits, seminars to introduce investment opportunities to Vietnam • ...
3	SECURITIES CUSTODY & SHAREHOLDER BOOK MANAGEMENT	• Securities depository and re-depository • Corporate actions for shareholders • Managing share holder books (support for unlisted stocks transaction and corporate actions for shareholders). • ...
4	FINANCIAL SERVICES	• Receive sales proceeds • Margin financing • Cooperate with banks to support securities trading
5	CORPORATE FINANCE ADVISORY	• Capital raising (private placement and public issuance) • Listing and IPO • Equitization • Corporate ownership change • Divestiture and share auction • Corporate financing restructuring • M&A • Others
6	SECURITIES UNDERWRITING	• Securities underwriting with different type of commitments (firm commitment, best effort,...)

ORGANIZATION CHART

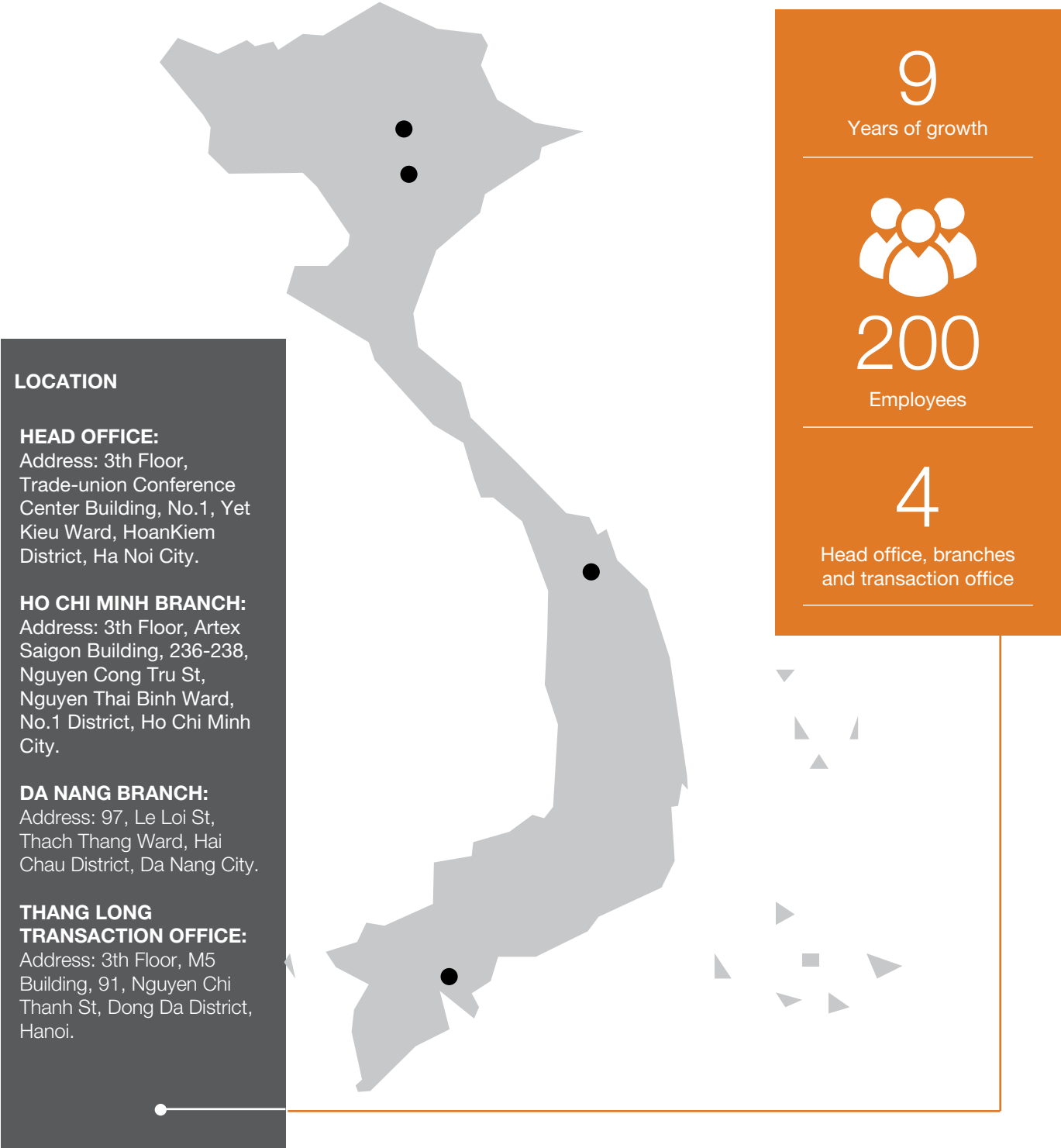


Subsidiaries and associated companies: SHS has neither subsidiary nor affiliate.



OPERATION NETWORK

The Company’s operation network spreads across Vietnam, mainly located in big cities.



BUSINESS OPERATION

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OVERVIEW

2015 - 2016

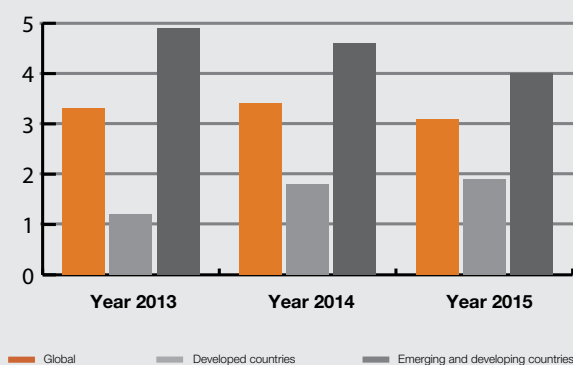
OVERVIEW IN 2015

2015 is a year of many fluctuations in operation environment for securities companies. Positive factors of the economy (such as GDP growth, low inflation, decreased interest rates, and improvement in production), together with the expectations of increasing foreigner ownership in Vietnamese securities market, and international integration have helped the market to have some positive signals. However, still it did not meet the expectations both in the indexes and market liquidity. Because of the impact of Circular 36, the oil price shocks, the unexpected volatility of Chinese securities market and the devaluation of Chinese Yuan, market sentiment and developments have been negatively influenced.

THE WORLD

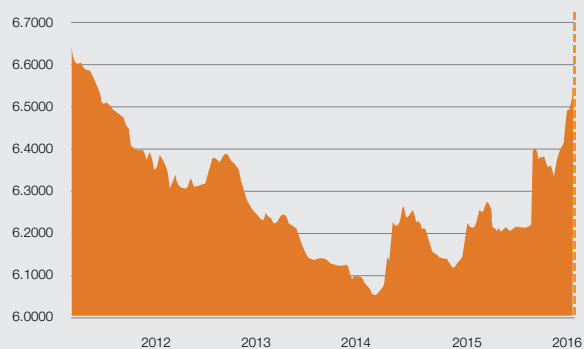
Global economy: Failing to meet the expectation, the world economy only grew 3.1%, lower than 3.4% of 2014.

World economic growth in 2015

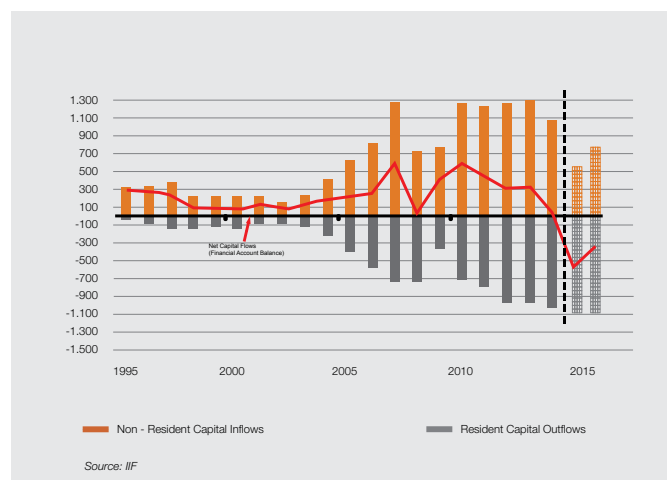


Chinese Yuan rates: The devaluation of Chinese Yuan in early August with the biggest one-day move in 20 years (4.8%) have caused serious impact to the world financial market, accompanied by a wave of competitive devaluations from other countries, including Vietnam.

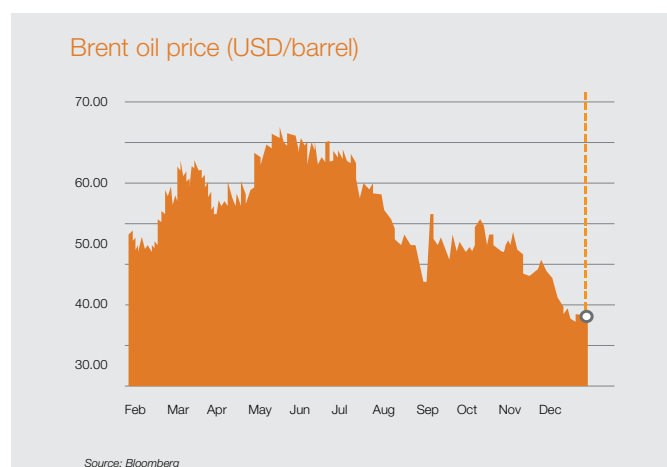
USD/Yuan exchange rate



FED interest rate hike: After 7 years of putting interest rate near zero during financial crisis to help stimulate the economy, with careful considerations, FED has officially raised its key interest rate from the range of 0% - 0.25% to a range of 0.25% - 0.5% on December. This movement, as along with the less positive economic outlooks of many countries, especially developing countries, have promoted capital outflow, causing disturbance and increasing financial uncertainty.



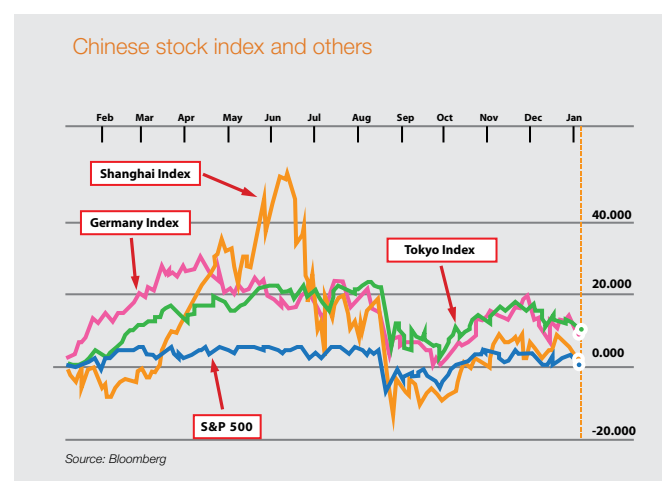
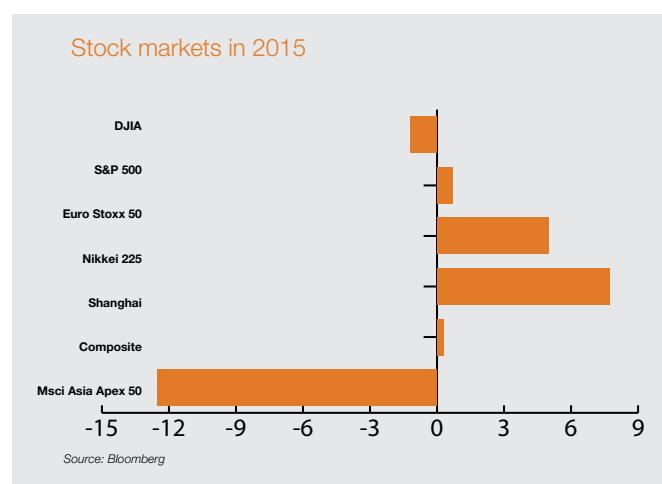
Commodity price on a steady decline: Followed negative movements in end of 2014, oil price in 2015 continued to fall to \$45 per barrel and then \$36.88 per barrel by the end of the year. One of major reasons for oil price decline, besides the strengthening US dollar, was the fall in demand for oil while the production by OPEC remains. Other reasons are that US has lifted sanctions on Iranian oil export, Iran has begun oil-for-goods swap with other countries, and China's oil demand growth has been falling. It's not just oil, other commodities such as agricultural products and metals also faced a down-trend in price. These factors had negative impact on oil-exporting countries and other commodities-exporting countries such as Brazil, Venezuela, Russia, as well as Vietnam.



Prices of some commodities (Source: Bloomberg)

	5/1/2015	31/12/2015	% change
Gold (\$/ounce)	1,204.0	1,060.2	-11.9%
Silver (\$/ounce)	16.213	13.803	-14.9%
Copper (\$/lb)	276.6	213.5	-22.8%
Aluminium (\$/MT)	1,818.5	1,507.0	-17.1%
Coffee (\$/lb)	168.1	126.7	-24.6%
Rubber (\$/kg)	214.4	159.0	-25.8%

World stock markets: Except for European and Japanese stock markets which have growth trend continued in 2015, the S&P 500 index growth eased to 0.7% while Dow Jones dropped 1.2%. China stock market, after several major falls, eased to grow at 0.3% and caused the rest of Asia stocks dropped, MSCI ASIA APEX 50 even fell 12.5%.



VIETNAM

Vietnam economy: The economy continued to grow with focus on restructuring banking sector and decreasing bad debt level to 3% while keeping the SOE restructuring progress going forward and enhancing international integration.

GDP growth: Thanks to the manufacturing sector which kept its growth rate stable (10.6%) and the construction sector that achieved the highest growth rate since 2010 (10.82%) - due to the real estate market showing signs of a pickup and the increase in Government infrastructure investment, GDP growth in 2015 reached 6.68%, surpassing the government of 6.2% target – the highest growth in last 5 years. On the contract, agriculture sector experienced negative effects by declines in demand and agricultural commodity prices, increasing slightly at 2.41% - the lowest growth since 2008.

Inflation: Average CPI in 2015 hit 14-year low, a very mild increase of 0.63% compared to the 2014 average. The General Statistic Office attributed the result primarily to falling petrol prices and goods and services price, explaining by the drop in crude oil and agricultural products price in global markets.

Foreign Direct Investment: Vietnam saw a increase of 12.5% y-o-y in FDI commitments – a record high last year. During the reviewed period, FDI disbursements rose 14.7%, reaching an estimated 14.5 billion USD.

Interest rates and credit demand: In general, interest rate environment in 2015 was stable. While deposit interest rates remained in a range from 5.4%- 7.2% per year, lending interest rate reduced slightly by 0.2% - 0.5% to 8.8%-10.5% per year at the end of year 2015. Credit growth in 2015 was higher than 2014. Total credit grew 17.02% (year-to-date) by 18/12/2015 – the highest since 2011. Credit expanded rapidly because of manufacturing operation recovery, construction and domestic growing demand.

Bank restructuring: Launched by the central bank, the process of Vietnam's bank restructuring is aimed at removing small and/or weak banks through mergers and acquisitions. There were four implemented M&As deals, three banks purchased at zero dong, and one bank placed under SBV control. To reduce the non-performing loan ratio to 3 percent, Vietnam Asset Management Company (VAMC) has acquired bad debts from commercial banks. As of 30 November 2015, the banking system's bad debt ratio has decreased to 2.72%,

around 99.6% of bad debts estimated in September 2012 was bought by VAMC, equivalent to VND 227,000 billion (in which VND 104,000 billion bought in 2015) but still the pace of restructuring process remained slow (at the end of 2015, only VND17 billion was handled, about 7.5%).

SOE restructuring: State-owned enterprise (SOE) restructuring is one of the key structural reforms which Vietnam needs to undertake. Though there is no deadline for SOE equitization, just 244 SOEs have been in the process of equitization so far out of 436 SOEs target for 2014 – 2015 (in which, only 128 SOEs has completed IPOs). Total value of divestments in 2015 reached VND9,924 billion out of VND19,000 billion target.

Exchange rate: Vietnam's exchange rate was impacted by outside factors. Although SBV held firm on its statement that it would not weaken the dong more than 2% in 2015, the strengthening US dollar and the historic devaluation of Chinese Yuan have pushed Vietnam's central bank to devalue the dong up to 3%, not to mention the act of widen trading band against US dollar from 1% to 3%. So, in total, the dong has depreciated nearly 5% this year.

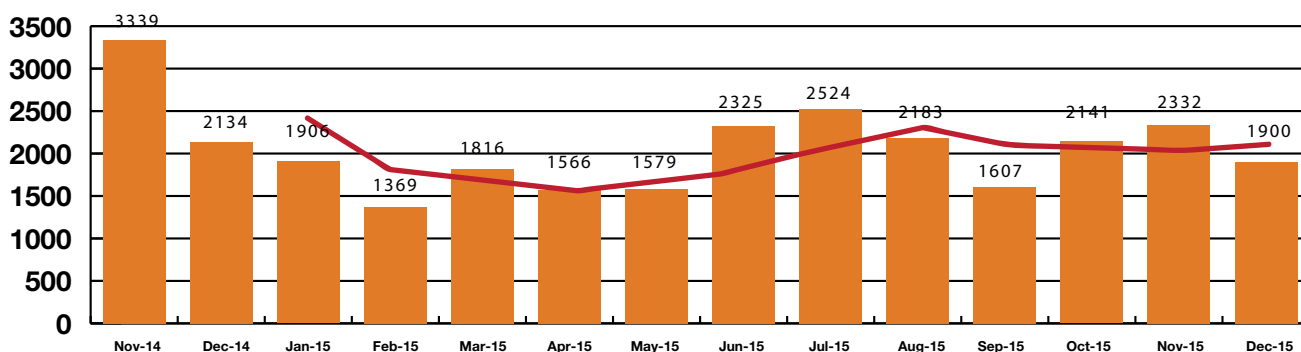
Export and import: Trade balance went back into deficit after 03 years of surpluses with USD3.2 billion as total export value decreased. In 2015, export grew only 8.1%, generated USD162.4 billion while import maintained its increase in 2014, estimated at USD165.6 billion. Among Vietnam main export products, except for smart phones and electronic products with strong export performance, textiles and garments, footwear experienced a slowdown in growth while crude oil, agricultural products faced downward pressure on value.

State budget deficit: Public debt to GDP ratio in 2015 increased by 5%, reaching 61.3% of GDP, compared to 59.6% in 2014. Even though it is still at safe levels approved by the National Assembly, if public debt continues to increase, it might threaten the economy's sustainable growth.

International integration: In 2015, Vietnam has boosted its international economic integration by signing TPP trade agreements and signing free trade agreements (FTAs) with EU. Vietnam also has joined the ASEAN Economic Community (AEC), Asia – Europe Economic Union; and the FTA between Vietnam – Korea went into effect in December 2015. On one hand, these agreements would open up many opportunities to local firms, but on the other hand, the government authori-

The average stock exchange value in 2015

In: billion VND



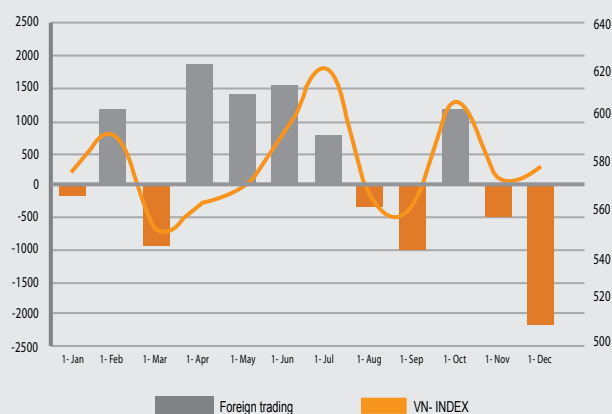
ties would face great challenges rising from the liberalization of economic sectors as committed in integration process.

Vietnam's stock market: Local stock market maintained moderate growth in 2015 with mixed indices performance as VN-Index closed at 579.03, rising by 6.12% while HNX-Index decreased by 3.64% to 79.96. Strong turbulence during the year have affected negatively on investor's investment results, especially institutional investors. Market liquidity declined up to 15%, compared to 2014's level, with average trading volume estimated at VND2,500 billion per session. In 2015, banking sector has replaced IT sector to become the highest-growing sector while oil and gas sector, despite impressive growth rate of 32% in 2014, went through biggest decline (-39.3%) as global declining oil prices have taken a toll on the domestic oil and gas industry.

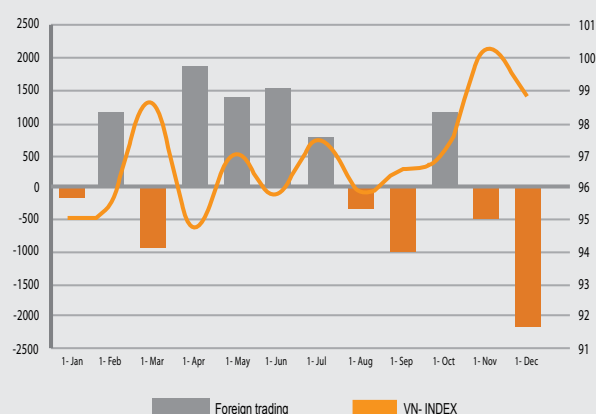
Foreign investors experienced many trading fluctuations in 2015 due to the impact from global macroeconomic factors. Foreign investors bought a net of VND3,004 billion during the year, however, total trading value fell about 20% compared to 2014, marking the smallest net buy amount since 2012. Foreigners were most active in Q2 & early Q3/2015. Net sales activities gradually started in Q3 and were most active in late Q4/2015 due to the EFT rebalancing and the official Fed interest rate hike.

Shares auction activities took place with 93 sessions in HNX and 50 sessions in HSX, with total sale of shares valued at VND10,000 billion. Many large SOEs were equitized and implemented IPOs in 2015 such as Airport Corporation of Vietnam, Sai Gon port, Vinacomin, Vinacomin Viet Bac Mining Industry Corporation, Vietnam national vegetable, food and agricultural product Corporation, Vietnam tea corporation, Vietnam Installation and Machinery Corporation...The most remarkable IPO was the sale of 5 million shares of Transportation and Communication Central Hospital, the large public services enterprise to be equitized and transformed to operate under the market mechanism.

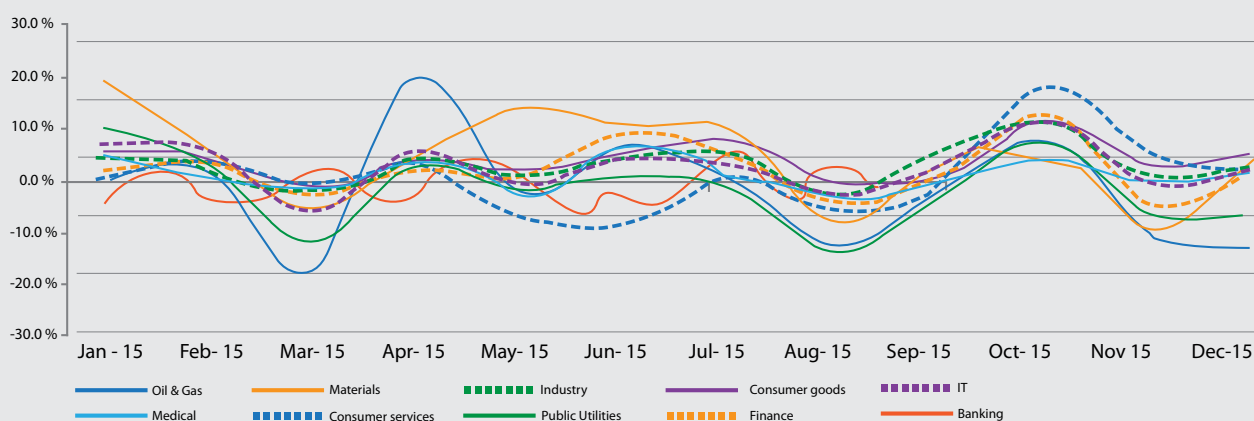
Trading of foreign investors in 2015



USD index in 2015



Industry groups in 2015



NEW ISSUED POLICIES:

Officially increase foreign ownership limit in Vietnam securities market creating a breakthrough in attracting foreign capital: On 26/6/2015, Government issued Decree No. 60/2015/ND-CP amending and supplementing a number of articles of the Securities Law; and on 19/8/2015 the Ministry of Finance issued Circular No. 123/2015/TT-BTC guiding on foreign investment in Vietnam securities market, in which, foreign investors are allowed to invest without limitation in public companies that are not under conditional business fields. This action is considered a breakthrough to bring Vietnam securities market from marginal market to emerging market. Moreover, Decree No. 60 also allows foreign investors to invest without limitation on Government and Corporate bonds. This is evaluated as a breakthrough thinking as it would attract more foreign capital inflows to Vietnam.

On 01/01/2016, securities trading codes (STC) online registration system for foreign investors has officially launched. The implementation of issuing STC online for foreign investors is to apply international practices and standards to trading activities and securities settlement. This system allows custodians, on behalf of foreign investors, to register for STC online, and change investors information online in timely manner.

The first legal document to establish the roadmap and the essential legal framework for derivatives market: On 5/5/2015, the Government issued Decree No. 42/2015/ND-CP on the derivatives and derivatives market. This is an advanced financial market where financial instruments like futures contracts and options are traded. These financial instruments are derived from other forms of assets. Derivatives can be used for hedging, or insuring against risks on underlying assets. Derivatives market is expected to operate in late 2016. In a long run, derivatives products not only help investors to lock in their profits on assets but also provide a best tool for investors to hedge against adverse price movements in underlying assets such as commodities, interest rates...

Create a breakthrough policy for clearing and settlement of securities by reforming a series of policies: On 18/12/2015, Vietnam Securities Depository promulgated new regulation on clearing and settlement of securities transactions. According to new regulation, settlement period for stock and fund certificates are reduced from the 3rd working day after trading day (T+3) to the 2nd working day after trading day (T+2). Settlement period for bonds is the next working day after trading day (T+1). The new reduced settlement cycle helps Vietnam stock market to gradually catch up with international standards and practices for trading activities and transaction settlement as many markets has been used the T+2 settlement cycle.

In the next step, on 21/12/2015, Ministry of Finance issued Circular No. 203/2015/TT-BTC replacing Circular No. 74/2011/TT-BTC dated 1/6/2011 guiding on trading in securities market. Circular No. 203 allows investors to place both buy and sell orders in continuous matching session (but not in periodical matching session to determine closing/opening price). It also removed provision compelling investors to use only one account to buy and sell same type of securities. Investors are also permitted to exercise transaction orders provided that they have settlement guarantee from their depository bank. Especially, the new circular creates legal basis for trading of securities that has been sold/bought but not yet ar-

rived to the investor's account, and intraday trading. This has been long awaited by investors as it not only improves market liquidity but also enhances market competitiveness since it has fixed some limitations in existing trading mechanism.

Promoting equitization, divestment and connecting equitization, public offering to listing, trading registration:

- Decree No.60/2015/ND-CP dated 6/6/2015 has shortened the required time frame from 90 days to 60 days for public companies to be listed on stock exchanges after equitization. Accelerating listing registration process has met investors' requirement, creating the attractiveness for equitization of SOEs. Connecting public offering, equitization with listing registration has brought Vietnam securities market close to international practices, whereby after IPO, public companies must get listed on stock exchange; this act will promote information transparency of SOEs, thus positively supporting SOEs restructuring, gradually remove unregulated trading market, ensure investors' interest and promote a well-regulated securities market.

- On 15/09/2015, the Prime Minister issued Decision No. 41/2015/QĐ-TTg allowing sale of shares in blocks and on 19/11/2015, the SSC issued Decision No. 999/2015/QĐ-UBCK regulating on share auction form in batches in order to accelerate the divestment, equitization of SOEs; especially divestment in SOEs that the Government does not need to hold controlling shares, eliminating the case when investors only want to buy enough shares to hold 51% controlling interest, without having to buy the block shares. This offers a breakthrough policy change for SOEs equitization, allowing institutional investors in purchase shares on a large scale. This also stipulates a number of provisions on divestments in unlisted public companies or UPCOM-unregistered companies.

Supporting policies for UPCOM exchange:

- On 05/01/2015, the Ministry of Finance issued Circular No. 01/2015/TT-BTC and on 13/11/2015 issued Circular No. 180/2015/TT-BTC guiding on registration of securities trading on trading system of unlisted securities. The policies provides details on registration of securities trading on UPCOM for public companies formed before and after 01/01/2016 and equitized SOEs. New policies have encouraged 100 companies to go listing on UPCOM in 2015, approximately 1.6 times compared to both 2013 and 2014. To increase its attractiveness, UPCoM exchange has widened its stock trading band to $\pm 15\%$, taking effective from 01/07/2015.

- The Prime Minister for the first time has allowed the establishment of Public companies Supervision Department under SSC. With the new establishment, obligation performance of public companies such as registration to SSC, centralized securities custody, listing registration or trading registration on securities market ...would be well-complied, thus increasing number of stocks in securities market.

Information disclosure transparency and public company governance are enhanced: On 6/10/2015, the Ministry of Finance issued Circular No.155/2015/TT-BTC guiding on information disclosure on securities markets, superseding Circular No. 52/2012/TT-BTC. Circular 155 expands the subjects and business fields that need to disclose information periodically, or extraordinarily; allowing individual investor to disclose information by themselves or authorize another party to fulfill this

obligation, encouraging information disclosure using English Moreover, this Circular has stipulated public companies to disclose information relating to sustainable growth, compliance on protecting environment, and environment and society risk management. New regulation on environment and society information disclosure marks an important step for Vietnam to move forward sustainable financial market, at the same time, it meets the international investment community's concern. This is one of the steps to upgrade Vietnam stock market from "frontier" to "emerging" market.

New provision on penal liability of certain crimes in securities sector:

On 27/11/2015, the Congress has approved the Penal Code (amended and supplemented). For securities sector, besides three existing offenses (including: intentionally publishing false information or concealing truths in securities activities, using inside information to buy/sell securities, and manipulating securities prices), lawmakers have added a new crime: the crime of forging documents in stock offering and listing profile. This supplement is significant in which it enhances deterrence, prevents violations, and severely punishes violated acts that causes serious consequences affecting the stock market operation.

OPERATION OF SECURITIES COMPANIES

- As of the end of 2015, the number of operating securities companies was 81 companies (04 companies less than in 2014), the number of fund management companies was 43 companies (05 companies more than in 2014).
- According to published audited financial reports 2015 of these securities companies, total revenues were VND10,000 billion (decreased by 3.74% compared to 2014), total profits were VND2,741 billion (fell by 11.6% compared to 2014). In which, 57 companies earned positive profits, equivalent to 69% (compared to only 66 companies in 2014, equivalent to 81%) and 24 companies had negative earnings. In term of growth, there were only 29 securities companies increased in revenues and 30 securities companies profit increase but the amount was relatively small under VND10 billion. This result reflects a much more difficult operating environment for securities companies in 2015.
- In terms of market shares, the competition to get new customers continued to rise. In HSX, Top 10 securities companies held 65.37% of total market shares and in HNX, the number was 62.29%, increased to 62.13% and 59.98% respectively compared to 2014.



MACRO OUTLOOK

WORLD

In 2016, the global growth rate is expected to exceed 2015 level but with a cautious stance due to new risk factors. While growth in developed countries such as the US, Europeans, Japan is cleared, it is still uncertain in developing countries which were the main force behind the global growth in recent years. Since East Asia and Pacific Asia are heavily influenced by China, growth will decline from 6.4% to 6.3%, of all the BRIC countries, only India saw growth pick up in 2015, Russia and Brazil continued to see negative growth.

Currently, risks which influence global growth are: the down-trend of commodities, including crude oil, is expected to have a negative impact on countries which rely heavily on exporting oil; decline in global trades; Chinese economy slowdown; the US' tightening monetary policy; and the appreciation of US dollar against many currencies will reduce capital flows into developing countries, and increase financial market volatility.

Growth forecast for the world economy in 2016



VIETNAM

Politics: The 12th National Congress of the Communist Party of Vietnam will be held in mid 2016 and new leaders will be elected. Therefore, there could be changes during this time that affect the market's movement.

Geo-Politics: There is a potential risk of China continuing its expansion in East Sea, opening flights to man-made islands. Those are signs that disputes between China and neighbor countries in East Sea are yet to cool down.

Commodity prices: In 2016, the global economy continues to snap back into gear, and macroeconomic variables, in general, are still stable. Oil prices downward movement will keep a low inflation rate and help firms lower their costs, product prices, stimulate consumer demand.

Exports: Exports are expected to continuingly be the driving force for growth in 2016.

Exchange rates and Budget balance: The biggest risk to Vietnam's economy in 2016 is exchange rates and Budget balance. While exchange rate is being pressured by FED in increasing interest rate, making the US dollar appreciate against other currencies, and China continues to devalue the Yuan, Vietnam Trade balance is forecasted to record a deficit, and a low level of foreign exchange reserves. Therefore, according to multiple forecasts, VND may depreciate 3%-5% further in 2016. Regarding to budget balance, in 2016, revenues will be affected by the decline in oil price (Budget projection is based on oil price around \$60/barrel whereas recent forecasts hint at \$30-\$40), import tax reduction under several international trade agreements and corporate income tax down to 20%. In this scenario, demand for investment and development remains a priority, foreign debt payments are also affected by the rising US dollars. These elements lead to an increase in budget deficit and public debt.

Economic policies: There will be less changes in economic policies in 2016 and the Government continues to ensure market stability. However, the Government will focus on creating a conducive environment for business development in order to build confidence and stimulate business activities.

Fiscal policy: Capital for development and investment from the Government will continue to decline.

Monetary policies: Borrowing and lending interest rates are likely to reach bottom and may rebound along with credit growth in an improved business environment, increase in consumer demand, lower production and business costs, and opportunities from international integration will stimulate investment and business development.

Economy restructuring: Continue to restructure State owned companies through IPO, non-core divestments, control credit quality of the banking system in order to maintain bad debt ratio under 3% while creating legal framework for VAMC to handle bad debts.

Real estates market: Real estates market is predicted to experience some difficulties when the VND30,000 billion budget ends by the first of June, 2016. The problems lies in increase of supply for housing, and credit tightening regulations if the draft of the revised Circular 36 is issued.

International corporation: In 2016, other than signing the TPP agreement, Vietnam begins to implement its commitments following the trade agreement signed with South Korea, the Union of the Eurasian Economics and prepares for other agreements such as the TPP, FTA with the EU. Participation in these agreements is expected to not only provide opportunities to expand the market for businesses but also to promote the reform of economic institutions with the management policies to take advantage of the opportunities of the above mentioned agreements.

STOCK MARKET

In the context of the economic recovery, the outlook of the stock market is evaluated positive despite of risks from both domestic and abroad factors. Additionally, the P/E of Vietnam is quite attractive compared to other countries in the area. P/E of VN-Index and HNX-Index is 11.22 and 10.39, respectively, third and second lowest in the list.

NEW POLICIES EFFECTIVE IN 2016

- Amended Circular No.74/2011/TT-BTC guiding trading on securities market.
- Amended accounting regime for securities companies.
- List of condition business fields open for foreign investment
- Project to merge two independent stock exchanges into Vietnam Stock Exchange.
- Circular to provide guidance on derivatives and derivatives market.
- Circular to provide guidance on offering and trading covered warrants.
- Amended Decree No.108/2013 guiding on sanctioning administrative violations in securities and securities market.
- Decree to provide conditions on stock investment.

BUSINESS

OPERATION

BROKERAGE

BUSINESS RESULTS IN 2015

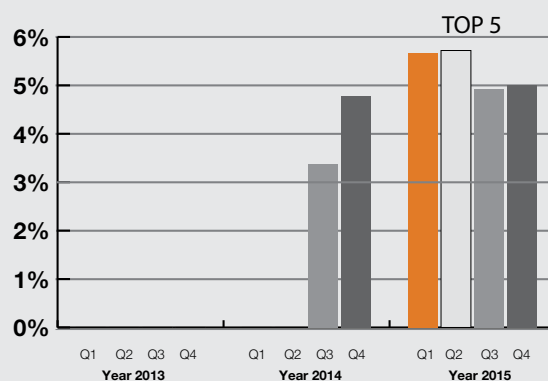
Rapid growth in market shares

SHS has gone through a fundamental change in strategy, focusing on institutional clients, VIPs, major shareholders, and insider shareholders of enterprises with which SHS had connections through Corporate finance advisory activities. SHS has expanded across many cities and increased its market share dramatically.

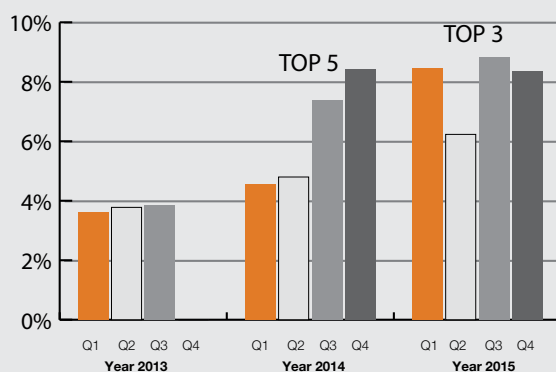
The Company's market share in 2015 greatly increased compared to 2013 and 2014. While in 2013, SHS was not even in the top 10 list on both stock exchanges, in 2015 SHS achieved its goal by ranking in top 5 on both stock exchanges, especially ranked third on HNX.

According to 2015 business plan which was SHS to be ranked in top 5 securities companies that had largest brokerage market shares on both exchanges. SHS accomplished its plan successfully with being ranked in Top 3 on HNX.

Market shares growth in HSX (%)



Market shares growth in HNX (%)

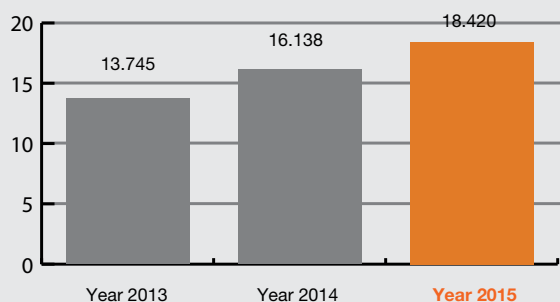


Remarkable growth in the number of securities trading accounts

Thanks to the expansion of brokerage team and corporate finance advisory team, the number of new trading accounts increased significantly in 2015.

Total trading accounts at SHS was 18,420 as of 31/12/2015, increased by 2,282 accounts, up 14% compared to 2014, achieving 149% of plan for 2015.

Number of securities trading accounts in 2015



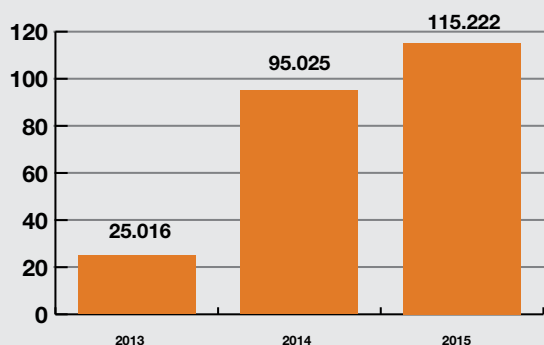
Unit: Thousand accounts

Brokerage growth in spite of market movements

In 2015, despite a significant falling in market liquidity, revenues from brokerage activity increased remarkably thanks to strategic changes in customer orientation to create competitive advantage over other securities companies in products & services.

Brokerage revenue recorded a 21% increase while market liquidity fell 15% year-over-year, meet 117% of 2015 target.

Brokerage revenue



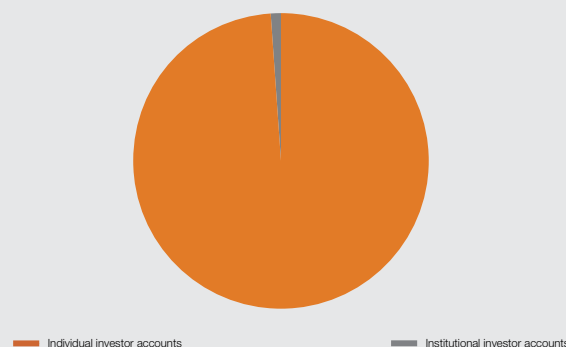
Unit: VND million

Growth of brokerage business in both quality and quantity

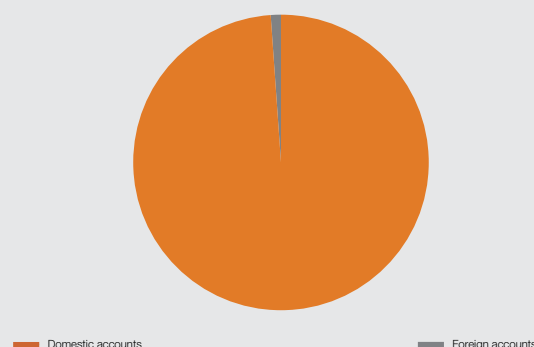
With a target of growing in market share and business expansion, SHS has continuously deployed campaigns and policies to recruit experienced brokers, who have in-depth consultancy knowledge and great skills on developing customer database. During the course of the year, SHS has established 2 new brokerage teams. SHS focused on not only establishing new teams but also training them, especially training for prac-

ticating certificates to ensure these teams would comply with the regulations and provide excellent services to customers. At SHS, employees are provided opportunities to be creative, reaching their potential capacities to provide the best services. Employee recognition and excellence awards programs are held each year to honor contributions and efforts from the employees. Thanks to the appropriate policy and mindset, SHS brokerage teams have had the development in both quantity and quality, fulfilling every requirement in this harsh market condition.

Securities trading accounts in 2015



Securities trading accounts in 2015



Strong improvement in working procedure and records, forms, documents

Working procedure, records, forms and documents have significantly impact on work performance of employees and affect their professional in the recognition of customers and partners. Thus in 2015, the Company has actively and strongly improved the working procedure as well as records, forms, documents of brokerage division. In details: nearly 10 business processes of brokerage has been improved and supplemented in the direction of being in line with legal provisions and practices, streamlining of procedures and paperwork, signatures on documents of opening and closing the account, change of information... By these changes, customers have increasingly appreciated the professionalism of SHS brokerage activities, contributing strongly in attracting customers to use SHS services.

However, brokerage activities still remained some shortcomings such as:

- The limited number of institutional customers has affected the sustainability of brokerage activities.
- Securities brokerage market share has risen strongly but mostly on HNX.
- Counseling skill and customer services skill among employees in brokerage team have not been on the same level.
- Transaction software system is lack of utility and sometimes unstable.
- Lack of diversity in investment advisory reports to customers.
- Improve broker human resources: ensure all brokers meet requirements in order to be issued practicing certificates; continue to implement the training programs on investment advisory ability for brokers and their skills in customer service and customer development.
- Upgrade or change the core trading system: Improve or upgrade of existing information technology system or change to new core system to meet the scale and requirements of customers, the development for diversified products, risk management, development of reporting systems for business management.
- Improve customer advisory quality: Improve customer advisory quality on the basis of improving the quality of Research and Investment Consultant Division, direct analysis report based on practice of business operation.

PLAN FOR 2016

The economy in general and the stock market in 2016 are predicted to be more favorable than in 2015, which will open many opportunities for securities companies. The existing legal provisions create more opportunities for leading securities companies in the market, including SHS. With the goal to become the leading securities company in Vietnam, SHS plans for brokerage activities in 2016 as follows:

- Maintain brokerage market share: Top 5 securities companies in both exchanges.
- Improve brokerage revenue: revenues to increase 20% compared to 2015 level.
- Customer development:

Improve quality of service and take good care of existing customer database in Quang Ninh, Hai Phong, ... by investing in infrastructure of the Company, hiring more employees, launching programs that will help to develop SHS brand name in these cities.

Concentrate to expand new customer database in the Southern (especially in Ho Chi Minh City); build and develop institutional customer database, emphasizing on professional financial institutions in order to increase market share on HSX.

Develop customers from SOES, enterprises that have to IPOs or to register on Upcom; follow up closely to share auction market, IPOs to develop customer database; coordinate with Corporate finance advisory department to develop new customer database.

Develop wholesale customers, i.e, listed companies or soon to be listed companies to provide financial supports through investments and securities trading.

- Product development

Diversify retail products to serve individual customer better.

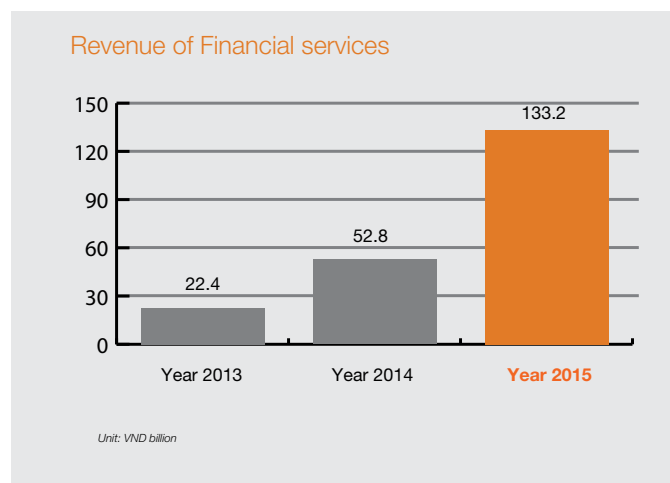
Develop new product such as intraday trading, derivatives securities... to meet the demands of market.

FINANCIAL SERVICES

PERFORMANCE IN 2015

Strong growth in revenue of Financial Services:

Revenue of Financial services reached VND133.2 billion, up 152% from a year earlier, meeting 160% of the plan number.



Diversified products and services that suitable to different types of customers:

During the course of the year, the Company has diversified products & services of financial services segment. Besides traditional margin lending products as regulated by SSC, the Company has extended its cooperation with commercial banks so that SHS customers can borrow capital for their investments in listed securities.

The Company has tailored different policies for different types of customers according to their needs, hence maximize the use of capital. As a result, the Company has attracted many new customers, contributing to the increase in revenue of this business segment.

Free interest rate for two days was applied to all customers who borrow money to buy securities from SHS or from its bank partners, thus encouraging customers to trade more frequently.

High level of competitiveness:

The Company and its bank partners maintain their competitive advantages on the list of securities permitted margin lending, interest rates, scale of capital, cash flow stability for financial services' products in accordance with the provisions of applicable laws.

Improved risk management:

With the support of software provider partner and IT department, the Company has developed several relevant applications which help to manage the risks associated with Financial Services better.

Nevertheless, Financial Services activities still has some limitations as follow:

- There are lot of documents that customers need to sign when trading at SHS.
- Interest rate of funds providing to customers through co-operation channel with commercial banks are still high compared to other securities companies' rates.
- Software system has not yet satisfied administrative requirements, thus the Company occasionally has to use other tools (Open Report, Excel...) which are time-consuming, reducing labor productivity
- Financial Services has not established a specialized division for product development.

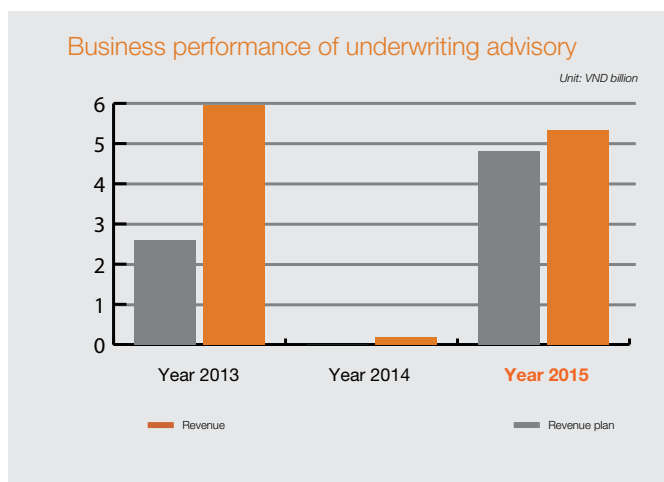
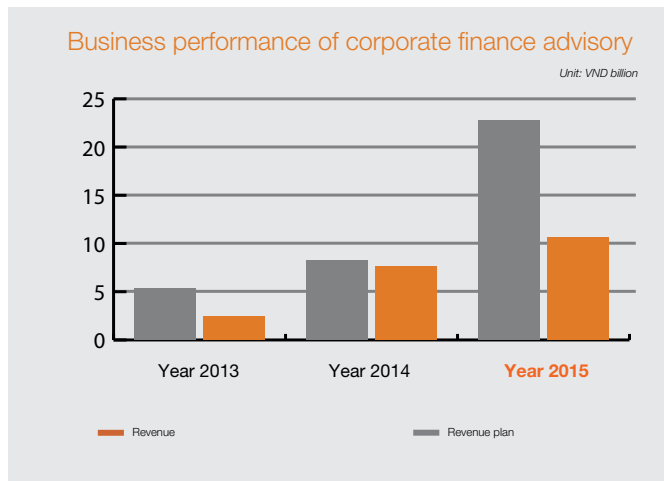
PLAN FOR 2016

- Enhance quality of Financial Service by improving products and reducing documents and paper procedure.
- Develop new products to gain competitive advantage to the market.
- Work with other commercial banks in order to have new qualified partners whom SHS can cooperate with to provide capitals to customers for their investment. At the same time, simplify application procedures for this product type.
- Review and allocate appropriate human resources for each customer group to improve the efficient use of resources.
- Compose report framework to enhance risk management activities.
- Regularly review and evaluate customers' debt balance to timely handle in case any problems arising.
- Arrange human resource reasonably, thus improving labor productivity.
- Comply with internal process and regulations of the Company, SSC to ensure financial safety.

UNDERWRITING AND CORPORATE FINANCE ADVISORY

PERFORMANCE IN 2015

Revenue coming from underwriting and corporate finance advisory activities in 2015 was VND15.970 billion (in which corporate finance advisory revenue was VND10.620 billion, underwriting revenue was VND5.350 billion), equivalent to 57.9% of the plan number, but the growth rate was double compared to the prior year.



New signed contracts increased from 84 contracts to 111 contracts, a 32.15% increase from 2014.

Compared to 2014, revenue structure has shifted toward intensive, professional operations with high value contract, in that revenue from underwriting and issuance agency occupied large proportion (38.20%), exceeding the plan number; revenue from divestment advisory stepped down to second position (meet 71% of the plan number), accounting for a bit more than 20.30% in total revenue. Though revenue from IPO advisory declined from 18.3% to 14.9%, it recorded a growth rate of 25%, estimating at VND2.1 billion. Revenue from issuance advisory reached VND1.94 billion, increasing 3.5 times more than the previous year. Business restructure advisory and M&A advisory have not generated much revenue in 2015 yet.

During the course of the year, several auction advisory contracts, IPOs, divestments, capital raising, underwriting for several large SOEs under the Ministry of Construction, Ministry

of Industry and Trade, Chemical Group... were performed. SHS' credibility and advisory brand name were significantly improved. The Company was also awarded "Top Securities Company" at the Vietnam M&A Forum for typical equitization and divestment advisory of 2015.

However, corporate finance advisory activities in 2015 still remained some shortcomings such as:

- The ability to exploit new equitization contracts was low.
- Revenue from M&A and business restructure advisory was not sustainable.

PLAN FOR 2016

Continue to promote the Company's traditional corporate finance advisory activities such as divestments, IPOs, sales of block shares for SOEs, placing these activities as primary objective of strategic operation. Moreover, the Company will strengthen its partnership with SHB as well as other foreign partners to exploit specialized advisory such as finance restructuring associated with business restructuring, capital raising, purchase divestments of non-core business...

Recruit new employees that have strong networking.

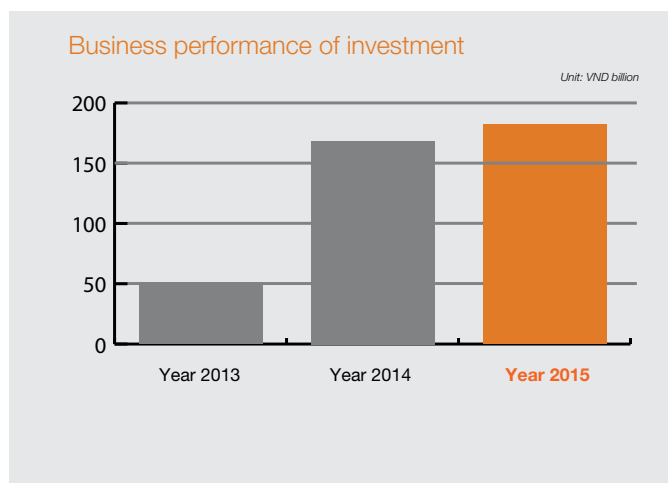
Promote business relationship with financial services providers (such as audit firms, law firms, financial institutions, financial experts) to provide comprehensive finance solution package to potential enterprises.

Maintain and develop relationships with leading experts in various areas of the economy such as banking and finance, industry, consumers goods and services in order to learn practice experience from these experts, this will give the Company a deep and comprehensive view of business activities of enterprises operating in these areas.

INVESTMENT

PERFORMANCE IN 2015

In 2015, revenue from investment was VND181.8 billion, meeting 78% of the plan number.



In 2015, investment activity achieved good business performance, up 8% from the prior year and 3.5 times more than 2013 level. Though it did not meet the plan number, this is such an encouraging result given the Vietnam's stock market to move sideways during the year.

The Company stayed closely with the market movements and captured a number of good investment opportunities, especially in the period of April – May 2015, and July – August 2015, when oil price declined, Chinese Yuan was depreciated, investors on the market sold off their portfolio, SHS purchased stocks at a relatively cheap price. In May – July 2015 and September – November 2015, when more details on foreign ownership limit loosen and expectations of the Trans-Pacific Partnership (TPP) completion came out, together with the release of policy on shortening trade settlement time, Vietnam's stock market soaked up gradually. That was when SHS started selling out and locked up huge profits.

Furthermore, the Company has improved investment strategy which helped obtain positive results. SHS also actively looked for exist opportunities of previous investments or cooperated with associated companies to implement corporate governance to ensure the rights of SHS in these companies. Members of Board of Management has participated in Board of Directors, Supervisory Board of some enterprises: Vung Tau Real Estate and Construction Joint Stock Company, Thanh Hoa Petroleum Construction Joint Stock Company, Saigon - Hanoi Insurance Corporation ...

However, some shortcomings still remained:

- Analysis, evaluation and searching for sound investment opportunities have not done well, hence investment portfolio has not generated impressive returns.
- The testing of investment decentralization did not turn out well as expected.
- Divestment of some existing investment took place during the course of the year, however, the rate of return was not impressive.

- At some point, the projection of investment feasibility analysis was not accurate, thus the Company miss out on investment opportunities.

- The Company was unable to proactively control capital flows, time to purchase, and time to sell securities.

PLAN FOR 2016

In context of economic recovery, the prospect of Vietnam's stock market is still positive even though there are hidden risk factors domestically and abroad. Opportunities to invest in listed securities are still there but challenges associated with political factors, existence of the economy and risks from global market fluctuations are obstacles. In order to cope with this suitable, the Company needs to be flexible and quick response in its actions. In addition, divestment activities of SOEs may bring opportunities to invest in healthy SOEs that, otherwise in normal condition, are difficult to access. To do this, the Company has to have efficient approach, diversified high-quality products and services. Investment in government bonds and high-credibility corporate bonds is also a sound investment alternative channel in 2016. Therefore, the 2016 plan for investment activities as follows:

- Actively seek profits from short-term investment in listed securities.
- Choose the right time to restructure investment portfolio, divest in stocks that are prone to decline heavily when the market is unfavorable and increase little when the market is favorable; switch to stocks which have higher rate of return and less volatility.
- Search for investment opportunities through M&A, unlisted securities, bonds... which meet SHS investment criteria; and new investment channels permitted by applicable laws and the Charter.
- Improve of the number of investment employees through new recruitment and internal training.

TREASURY

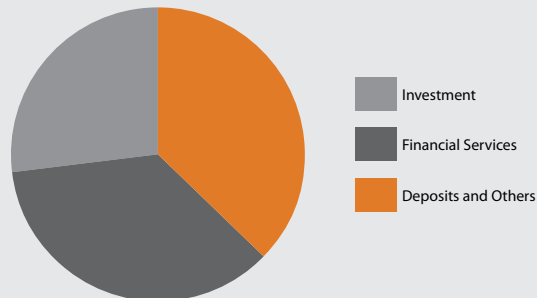
PERFORMANCE IN 2015

Cash flow balance: During the year, the Company always maintained a good cash flow balance. However, due to impact of Circular No. 36, the funding coming from credit institutions was restrained since February 1, 2015. To ensure sufficient funds were available, there were times SHS accepted cash flow surplus in form of deposits, hence not achieving maximum efficiency on cash management. Return on capital employed of 2015 was 91.7% .

Capital mobilization: Total capital raising in 2015 increased by 35% compared to 2014, including capital coming from banks, corporate bond issuance.... Since borrowing cost dropped by 1.33% from the prior year, the Company's margin lending rate decreased, making it more attractive to investors.

Capital use: Capital was allocated to Financial Services, Investments, Deposits and others.

Treasury department's performance in 2015



However, treasury activities still has some shortcomings such as:

- Treasury team has not built a network of bond investors who are willing to invest in the Company's bonds yet.
- Analysis and treasury management activities still have room for improvement.

OPERATIONS

PLAN FOR 2016

- Monitor and balance cash flow daily, weekly, monthly to ensure liquidity for the Company.
- Control risks associated with treasury activities and arrange funding reserve.
- Maintain banking relationships with commercial banks to ensure debt financing.
- Diversify capital mobilization channels, emphasizing on raising capital from corporate bond issuance.
- Improve cash management, ensure that the Company's cash flow is adequate to allow it to operate effectively.
- Apply software program built in 2015 to monitor and manage treasury activities.

RISK MANAGEMENT

RISK MANAGEMENT SYSTEM OF SHS

On 30/11/2012, the Ministry of Finance issued Circular No. 210/2012/TT-BTC guiding on the establishment and operation of securities companies and on 26/02/2013, the SSC issued Decision No. 105/QĐ-UBCK on guiding the setting up and operation of the risk management system for securities companies. Based on these legal documents, SHS has built, step by step, its own internal risk management.

SHS has organized the risk management in 3 levels:

First level: consists of departments that directly perform business operation, manage and control risks arising during the operation.

Second level: is Risk Management Division under Legal and Risk Management Department. Its function is to monitor risks in the whole Company as well as monitor first level's risk management.

Third level: are Internal Audit Division under Board of Directors, Supervisory Board under General Meeting of Shareholders that independently supervise the effectiveness and efficiency of risk management system of SHS: evaluate the risk management of first level and risk supervision of second level.

SHS has organized special mechanism to perform risk control function:

Risk Management Committee under Board of Directors: Board of Directors established this subcommittee in 2013 on the basis of assigning some Board of Directors' members to involve in risk management. Risk Management Committee is responsible for advising and assisting Board of Directors in overseeing the implementation of risk management: development policy, risk appetite and risk limits, monitoring the implementation of risk management processes, measuring and tracking key risks... Risk Management Committee has obligation to report to Board of Directors risk management activities quarterly.

Risk Management Division under Board of Management: Board of Management established Risk Management Division in 2013. Its function is to build risk management process and list of key risks, to track and tailor risk analysis models, and to evaluate, measure and propose risk controlsolutions. Risk Management Division reports to CEO on risk control activities monthly.

SHS has gradually issued internal regime, procedure, regulation systems on risk management:

SHS has gradually issued a system of internal regulation, procedure, and regulation on risk management. The principle to compose risk management procedure is all key risks of the Company must have its own risk control procedure, which connect closely to business procedure and the Company operation procedure. Method used to compose risk management procedure is based on qualitative and quantitative factors with best effort to quantify risks.

Specifically:

- SHS set up general regulation on risk management: On 01/06/2014, Board of Directors issued Decision No. 35-2014/QD-HDQT on regulation of risk management system. This Decision is a set of guidelines on setting up the Company's risk management system, guiding on composing the policy, limits, and control procedure of different type of risks.
- General risk management procedure of SHS consists of 5 following steps:

Identifying risk: SHS identifies key risks corresponding to each type of risk arising from current and new business operation. Identifying risks is regularly done by Risk Management Division, using information from Board of management, Legal Department, Supervisory Division, Internal Audit Division, Internal Control Division, and other related departments. Identifying risk activities ensure that the connections and interaction among all type of risks are fully recognized.

Risk measurement: SHS measures identified risks based on their short and long term impact on the Company's charter capital and revenue. Moreover, different methods/techniques of measures are used (including qualitative factors, quantitative factors and assumptions). These methods/techniques are reviewed periodically on their accuracy. Risk measurement is performed on each transaction to ensure timely and accurate basis for the effective risk control.

Tracking risk: Tracking risk is done through observation and daily records which apply thorough applications of information technology to help tracking process more efficient.

Reporting risk: The Company stipulates clearly risk reporting system to different levels (Risk Management Division, Board of Management, Board of Directors) and to externals (SSC).

Handling risk: The Company applies same risk control principles to any risk arising: find root cause, choose methods of handling, execute, then report the result and lesson learned. Based on suggestions from Risk Management Division and other related departments, SHS will apply different methods to different type of risks such as: avoid risk, minimize risk, share risk, or accept risk.

- Furthermore, SHS has also built different set of procedures and risk management regulations to each type of business activities such as margin lending, online trading...

SHS has set up an effective information management system for risk management.

The Company has established an effective information management system to provide ongoing, fully and timely information about business environment, financial situation, the Company's business operation, risk situation for different level of management from departments to Board of Management and Board of Directors. The information management system can be either bought from external partners or built by IT employees, or even developed based on existing software or applications which bought from external source. The system

is evaluated and updated regularly to meet requirements of the Company's reports, and level of complexity of business operation. This system is considered valuable asset to the Company, contributing to risk management.

SHS has built the backup plan in case of emergency.

Risk Management Division cooperates with other related department to build up backup plans to ensure business operation of the Company will run smoothly or get recovered to normal level of operation in case of emergency.

SHS has built a proactive risk management culture in every level of management.

The message of growth based on good risk management has been throughout delivered to each department, branch and employee by Board of Directors and Board of Management. Thus, everyone has gradually increased their responsibilities on discovering, mitigating, and preventing arising risks for themselves and for the Company. The initiative is presented in the following activities:

- When there is a new issued legal regulation which relates to the Company's operation or clients, suppliers, partners, Risk Management Division will provide summary and full legal document to the Company and related parties, emphasizing on key changes, or new contents. Based on that, related departments and branches propose solutions. The Management will carefully review and ask for Board of Directors' opinion on the matter.
- Board of Directors, Board of Management always perform assessment of risk and seek experts advice before making any important decision for the Company
- During the launch of new products & services, or before signing a contract/agreement, making big transactions, Legal Department, Internal Control, Risk Management Division or other related departments will evaluate the set of risks associated with those activities.
- In the course of business operation process: each employee will proactively evaluate risks associated with their daily job. In case of detecting potential risks, the employee is required to notify immediately to their Head of department and colleagues. Head of department will seek advices from Risk Management Division, then try to prevent, minimize potential risks himself. Where Head of department thinks he can not perform the prevention, he has to report to Board of Management for direct instruction.
- The activities of checking, supervising, and controlling potential risks from Supervisory Board, Internal Audit Division, Internal Control Division, Risk Management Division, Anti-money laundering Division are increasingly interested in, and professionally conducted.

RISKS UNDER MANAGEMENT

Main risks are environmental risk, market risk, operational risk, settlement risk, liquidity risk and legal risk.

Environmental risk

Environmental risk is the risk from business environment. It

can have negative impact on the Company's business operation. It can directly affect the Company through all business segments or indirectly affect the Company through its parents, customers.

SHS operates in a constant changing business environment. Risks of business environment have overall impact on every aspects of the Company's business operation. Therefore, the information update and the impact analysis on the Company's business operation in order to provide quick solutions are much concentrated by SHS, so that the Company can avoid operation losses and seize business opportunities.

Environmental risks are identified as: political system risks, policy risk, competition on market shares risk, product risk, substitute risk, etc.

Solutions applied by the Company to prevent and limit environment risk are:

- Diversify information channels.
- Arrange human resource and cooperation scheme to make decision quickly.
- Regularly, periodically survey and evaluate market situation, competitors, then compare to the Company's current business operation, products & services in order to find improved solutions appropriate to each development phase of SHS (if any).

Market risk

Market risk is the risk that changes the value of owned assets in an unfavorable way, negatively affecting revenue or capital of the Company due to changes in market factors such as policy, commodity price, economic condition, exchange rate, interest rate, relationship between supply and demand... These changes, through official or unofficial channels, are reflected in stock prices and they are out of the Company's control.

The Company's operations are affected by policy changes, stock prices' fluctuation, interest rates' changes, operations of listed companies, and bad news on the market.

The Company's operations influenced by market risk include: securities investment (stocks, bonds, fund certificates); securities borrowing for the Company and lending to customers; underwriting with firm commitment prior securities distribution time and not yet received full payment period; deposits investment; margin lending with securities on account as collateral.

The identified market risks are: investment portfolio, underwriting portfolio, portfolio of pledged or mortgaged securities that values are reduced; decreasing deposits rates...

Solutions applied by the Company to prevent, limit market risks are:

- Every day, Research Department provides analysis reports of political, economic, securities market, and listed companies' situation and give recommendations (if any). Related departments provide information about changes in policy, interest rates, bad news in the market (if any). Based on reports of Research Department and information collected through

other channels, Investment Department will discuss, analyze, evaluate the impacts on investment stocks, borrowing stocks, underwriting stocks. Risk Management Department undertakes daily independent assessment of market risks and recommends to Board of Management solutions to handle risks (if any).

- Investment Department strictly applies investment limit and stop-loss limits for listed stocks, limit investment in corporate bonds unless performing careful due diligence before investing.
- Research Department evaluates all listed securities before making recommendation to investors and provides list of securities permitted in margin trading in the Company.
- Treasury Department makes cash deposits only at high credibility banks and shifts deposit terms flexibly.

Operational risk

Operational risk is the risk that happens due to technical errors, failures of system or business processes, human mistakes during operation or due to lack of working capital resulting from expenses, from investment activities or from other reasons. Operational risk covers all aspects of the Company's operation. Therefore, prevention and reduction of operational risk have been considered an important task of the Company from its early days.

Securities is a complex field with enormous number of operations and transactions incurred daily. Operation of securities companies is based mostly on automatic IT system. The readiness, stability, flexibility and security of trading systems are prerequisites to attract and create trust to customers. Thus, identified operational risks relating to IT system are: incorrect decentralization, system errors, illegal access...

Moreover, the employees' compliance with business processes during work is also a prerequisite to limit operational risks, improving professionalism and brand name of the Company. Therefore, the identified operational risks include: lacking of process, incomplete process, employees do not understand the process, employees do not comply with the process, declining labor productivity...

Branding is not just a sign of recognition, it's a valuable asset to an enterprise. Branding risk is loss or damage that an enterprise has to suffer due to changes in how partners, clients, or investors perceive a company. The identified branding risks include: brand stealing, brand destroying...

SHS is a listed securities company, therefore, disclosing information fully, timely and transparently is not only a compulsory obligation stipulated by the authorities but also a responsibility of the Company to partner, clients and shareholders. Possible risks involved are: incorrect reporting, incomplete, late, untrue information disclosure.

Solutions are taken to prevent and minimize operational risks are:

- Develop a full, rigorous system of regimes, process and internal regulations that is regularly reviewed and re-evaluated; perform periodically inspections to ensure employees understand and get updated with internal regimes, regulations, and process.

- Establish a mechanism for cross-checking, cross-supervising among departments and employees.
- Issue regulations for decentralization, decentralization based on functions, duties, and regularly review on the validity of decentralization.
- Issue code of ethics of the Company, and train employees about code of ethics to raise their awareness level and their compliance.
- Register for copyright protection of SHS brand name with the authorities.
- External communicate effectively through diversify media channels, maintain frequency of media appearance, appoint an authorized representative in charge of information disclosure to public.
- Regularly evaluate the productivity of employees in order to setup internal communication programs, policies to promote labor productivity.
- Build and update list of periodic reports and information needed to be disclosed; establish a specialized division for information disclosure. This division will be in charge of reviewing independently all reports made by other departments before publishing; select high credibility audit firm to audit the Company's financial statements and financial safety report; apply information technology to generate reports automatically in order to minimize human errors.
- Establish internal audit department and internal control departments to effectively manage operational risks.
- Establish strict discipline and penalty rules in the Company.

Credit risk

Credit risk is the potential risk leading to negative impact on revenue or capital of the Company due to the failure of counterparty to perform according to terms and conditions of a contract or agreement.

The Company's business activities which have potential of credit risk are: cash deposits, margin lending, securities borrowing...

The identified credit risks include: customers can not make payments, SHS can not collect cash deposits at banks, the Company do not have lending securities back, the Company can not buy back lending securities or have to buy back at higher price...

Solutions to prevent and minimize credit risk are:

- Credit risk of cash deposits occurs when commercial banks fail to perform obligations to SHS. Although this rarely happens, SHS still needs to select partners with high credibility. In addition, SHS have cash deposits at several commercial banks in order to spread risks.

Margin lending is a lending activity which uses customer's stock portfolio as collateral in accordance with SSC regulations. The activity incurs credit risks when stock prices of collateral decline, leading to margin lending ratio decline below a

certain maintenance level but customers do not provide additional collaterals (cash, or stocks), or do not sell stocks to bring down margin lending ratio, and at the same time, SHS cannot force customers to sell the stocks promptly. SHS has performed a series of combined tools to prevent, minimize this type of risk such as carefully perform customer due diligence then categorize customer into groups, customize suitable margin lending policies for each group (brokerage fee, margin lending rate, margin lending quota...), carefully select list of stocks permitted for margin lending, closely monitor customer's debt balance to timely request additional collaterals, at the same time, the Company has promulgated regulations enhancing responsibility of brokerage whose customers using margin lending service.

- Borrowing of securities is performed when the Company and/or customers have to fix transaction errors or customers want to do intraday trading... The Company implements this operation in accordance with regulations and when it meets the necessary conditions on human resource, process, technology ...

- The company has built a credit limits system on the basis of compliance with regulations and risk assessments of all business segments.

Liquidity risk

Liquidity risk is the risk that happens when the Company could not perform its debt obligations or unable to convert assets into cash at fair value in short term period due to ill-liquidity market, hence the Company has to raise capital from other sources at higher cost or when the Company unable to fulfill customer's requests for money withdrawal/transfers. Liquidity should be in balance state, considering as supply and demand equilibrium for a certain period of time.

The Company normally falls into this situation when it does not manage well terms of deposits at commercial banks, creating "gap" between deposits investment and lending investment, or when the Company does not manage separately investor's deposits, leading to misuse of investor's money, when investor wants to withdraw money, the Company can not balance cash flow. The Company also faces liquidity risk when it accepts illiquid assets as collateral, it can not sell these assets to recover in ill-liquidity market.

The identified liquidity risks include: the Company does not have enough funding to do clearing & settlement activity, the Company does not have enough money for customers' withdrawal on accounts, the Company can not make payments to partners.....

Solutions to prevent and minimize liquidity risk are:

- Build and comply with a credit limit system and debt/asset ratio
- Treasury Department, which is in charge of liquidity management for the Company, has cooperated with relevant departments such as Investments, Financial Services, and Financial Accounting to control all receivables, expenses, cash inflow and outflow to make the daily cash balance, and project expected cash outflow. SHS also maintains the term structures of deposits, and loans. SHS also setup credit facilities with different credit institutions on the market, including

commercial credit and overdraft.

Legal risk

Legal risk is the risk arising from failure to comply with regulatory obligations relating to the business operations of the Company or from cancellation of contract which is illegal, beyond legal power or incomplete terms and conditions...

SHS operates in a business environment where the legal framework in general and securities legal framework are in the process of building and developing. Therefore, there is huge risk of disputes, lawsuits related to products & services and contract implementation, requiring the Company to have a action plan to identify, measure and handle this type of risk.

The identified legal risks include: Contract that lacks of key terms, void contract due to violations of law or counterfeit to conceal invalid transaction; incorrect signature authority.

Solutions to prevent and minimize legal risks are:

- Recruit legal staff based on quality but not quantity. Legal staffs are mostly lawyers who have working experience in financial institutions such as banks, securities companies and fund management companies...
- Legal Department often participates in workshops held by the authorities to get member's comments on new legal drafts as well as seminars, training workshop organized by SSC to convey the Company's concerns to the authorities.
- Periodically, Legal Department updates new promulgated legal documents then update to the related departments.
- Based on risk assessment, Legal Department advises Board of Management and other departments to amend the Company's regime, process, internal regulations as well as contracts, current forms in accordance with applicable laws.
- Before signing a contract with clients or launching new products & services, Board of Management will consult legal opinions from Legal Department. Board of Management, related departments, and/or product development division will study these legal opinions, then combine with their own assessments on gain/loss to make a decision on execution of the contract and/or launching new products & services.
- Legal Department makes drafts and reviews closely the Company's regime, process, internal regulations as well as agreements, contracts and forms to be signed.

LIMITATIONS ON RISK MANAGEMENT IN 2015

- Compliance with risk management process and risk reporting process of the Company's departments has not been monitored systematically.
- Proposal of solutions to deal with arising risks has not made promptly.

RISK MANAGEMENT PLAN FOR 2016:

- Perform risk management activities professionally and systematically.
- Focus on enhancing employees' awareness of the importance of risk management.





INFORMATION TECHNOLOGY

PERFORMANCE IN 2015

Core securities software and trading software were improved to meet VIP customers' transaction requirements which incurred lot during the year. IT department also supported the application of new products and provided IT management reports upon request.

IT system was regularly updated to be compatible with software of the two stock exchanges (HOSE and HNX) and VSD.

The readiness of IT system was also increased on the basis of upgrading spare capacity, information security ...

The Company has developed payroll module, asset management module in HRM software, and server management software for Head office and branches to manage their servers efficiently.

New procedures were added to support the operation of IT systems.

However, there were some shortcomings such as:

- The Company has not changed core securities trading software yet.
- IT department during the year implemented just 60% of 2015 plan target of system, network and security.
- Server upgrading project failed because the Company's server changed from discrete to blade server, resulting in delaying the planned solutions based on these servers.
- Security devices in branches have not been added to ensure the readiness.

PLAN FOR 2016:

- Maintain the existing core securities trading system at stable level, be ready for core software changing project if approved, meet the requirements of changing or upgrading software from the two stock exchanges and VSD, implement derivatives software system according to schedule.
- Based on the changes in Vietnam's stock market and technology, propose IT solutions to bring SHS' IT system become one of the best system among all securities companies, focus on develop trading applications on smart phones.
- Improving the readiness of server room's infrastructure as well as the information security in head office, the readiness in branches.
- Improve the process system, standardize the operation of IT systems.

HUMAN RESOURCE MANAGEMENT AND TRAINING

PERFORMANCE IN 2015

As at 31/12/2015, total number of manager and employees of the Company are 200 people in which 196 employees signing official labor contract and 04 employees in probation period. Quality of employees has improved in terms of education degree level in which 16% holds master or higher degree, 80% has bachelor degrees, and only 4% has below bachelor degree. Quality of new recruitments has improved in terms of training, the number of employees have higher university degree increased from 5 persons to 32 persons. Employee structure consists of 45% female and 55% male.

Average monthly salary jumped from VND11,5 million to VND12 million in 2015.

Total salary expenses was VND53.2 billion, up 16% from a year earlier due to the implementation of revenue-based salary policy to encourage work efficiency; and the number of employees in 2015 rose 19.76% compared to 2014 level. Total implemented salary expenses reached 68.86% of the plan as the number of employees in 2015 was only 200 persons, meeting 85% of the plan number.

Labor relations (planning, appointment, dismissal, discipline ...) and regime for employees (, salaries and deductions such as labor union fee, social insurance, health insurance, personal income tax) were performed well, without disputes or complaints. Employees who had positive contributions were rewarded and complimented every quarter.

Plan of hiring external trainers to provide training courses to SHS' employees in 2015 was implemented partly (9/19 courses as planned). The reasons were the Company wanted to concentrate on encouraging employees to get practice certificates and appoint employees to participate in training courses organized by the Securities Training Center. Total number of training courses in the Securities Training Centre was 69 courses. In total, there were 78 training courses in 2015 for SHS' employees. Average training hours per employee was 8.2 hours.

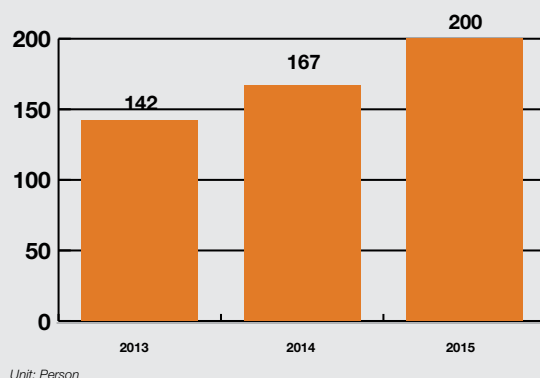
There were still some shortcomings in human resource management and training such as:

- Failed to meet recruitment plan (total employees as at 31/12/2015 were 200 people, representing 85% of the human resource plan).
- Failed to meet training plan (organized 9 out of 19 planned training courses, none out of 03 planned internal training courses to enhance employees' professional knowledge).

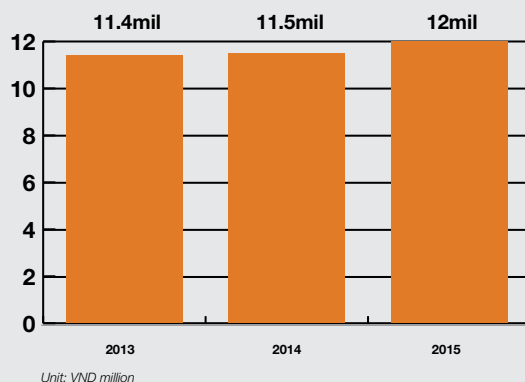
PLAN FOR 2016

- **Recruitments:** In 2016 the Company is expected to recruit about 45 new staffs (growth rate of 25%), mostly brokers to meet the expansion of brokerage activities.
- **Training:** Continue to organize more Training Programs to fulfill 2015 training target and implement new training programs including specialized trainings in accordance with SSC's regulations, and soft skills training from external sources and cross-training to improve knowledge between departments.

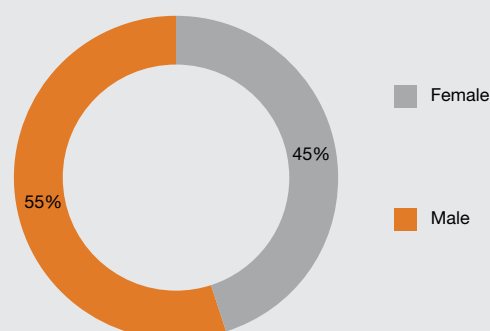
Changes in number of employees



Changes in salaries



Workforce by gender



LEGAL – INTERNAL CONTROL – ANTI – MONEY LAUNDERING – INFORMATION DISCLOSURE

PERFORMANCE IN 2015

Legal activities: Provided advices upon request of Board of Management, clients, business partners of the Company on the relevant legal issues. Participated in the negotiation, drafting and reviewing all Agreements, Commitments, Economic Contracts, form as well as regulations, procedures and internal regulations of the Company. Monitored and managed shareholders authorizations and implementation of authorizations.

Internal control: In 2015, internal control for operations with high risk was performed strictly, in accordance with the Company's regulations and procedures, preventing frauds and errors. The weekly, monthly and annually review were made fully, strictly and promptly in order to clearly understand and report to the Management, other departments, branches and transaction office for improvement or adjustments.

Anti-Money Laundering: Implemented anti-money laundering activities in accordance with regulations of the Government and the State Bank of Vietnam such as composing internal regulations on anti-money laundering, implementing the control on clients, high-value transactions, abnormal transactions, high technology transactions or electronic money transfer transactions. The Company has built an automatically alter system on trading software platform, notifying abnormal transactions and daily monitoring this type of transactions.

Reporting and Information Disclosure: Obligations to report and disclose information have been made timely, fully and in accordance to the applicable laws. The reporting content was checked and controlled strictly. During the year, the Company has no violations regarding information disclosure.

However, there were some shortcoming such as:

- The dissemination of new legal documents and legal knowledge of securities has not done on the regular basis. Internal documents were not managed systematically, therefore, employees and all departments found it difficult to access or search for. Projections and recommendations to the Management and all departments about new legal policies that could be issued has not implemented efficiently.
- The Company has not trained employees who work closely with clients on regulations of anti-money laundering, and has not developed specific internal regulations on how to identify clients and evaluate risks of anti-money laundering when providing electronic money transfer services.

PLAN FOR 2016

- Continue to provide legal advices but at more in-depth level to the Company, clients and partners; disseminate new legal documents timely, regularly.
- Implement the approved internal control plan in order to identify risks promptly and handle them in time.
- Implement anti-money laundering activities professionally, focus on training employees to aware the importance of anti-money laundering.

PR & MARKETING

PERFORMANCE IN 2015

In 2015, communication activities were performed effectively and appropriate to the Company's current situation. Communication is implemented with a clear goal of delivering SHS' brand name as a dynamic, efficient and creditable securities company. This is expressed through the image SHS delivers to the media and the investors: SHS is a securities company that places high value on customer services, and identifies customer service as the key to success, thus SHS keeps developing and improving in order to provide the best customer services in Vietnam market to its clients. The frequency of SHS mentioned on press media with positive content in 2015 was 80 short news reports, 25 articles/interviews and 60 broadcasts related to information/products/services of SHS which were in 05 official newspapers and 03 TV channels. Most of SHS' images appears on official communication channels: newspapers (Vietnam Investment Review, Investment, Vietnam Economic Times); e-newspapers (Cafef.vn, tinnhanhchungkhoan.vn, vietstock.vn, stoxvn) and TV (VTV, InfoTV). In 2015, SHS has performed good information management and prevented communication crisis. SHS has honored to receive many awards such as "Top Securities Company" at the Vietnam M&A Forum for typical equitization and divestment advisory of 2015, Merit from Chairman of Hanoi's People Committee rewarded for SHS and Mr. Vu Duc Tien – CEO contribution to the development goals of Hanoi, and other awards. Moreover, in 2015, SHS focused on customer services policies, developing customer communication channels via emails, SMS, SHPro in order to deliver information about new and existing products & services to customer better; maintaining and improving products promotion campaign on the internet; regular organizing customer services program. Internal communication was also concentrated on by organizing many internal programs to build up the Company's culture, employees' bonding and employees' commitment with the Company and promptly delivering messages from Board of Directors and Board of Management to all employees.

However, PR&Marketing activities have remained some shortcomings including:

The Company's support to employees to search for new clients, to understand and exploit new market segments has been limited. In addition, SHMobile and SHWeb haven't been known by many investors.

PLAN FOR 2016

- Focus on positioning SHS' brand name, develop SHS' image by improving its quality of services, diversifying its products.
- Take quality of services as the key characteristic of SHS when promoting to public.
- Promote internal communication to bring the connection between the Company and employees stronger.

IMPROVEMENTS IN POLICY AND MANAGEMENT

- Standardize the evaluation and classification of customers, from there, provide policies of products & services suitable for each class of customers in order to better serve customers and improve risk management.
- Make changes in brokerage fee sharing policy to attract more customers via brokers networking.

ACHIEVEMENT IN 2015

- Successfully eliminated accumulated deficits incurred 2011.
- Established SHS' position and increased its brokerage market share: from 6.39% (No.5) to 7.97% (No.3) in HNX; from 3.19% (not in top 10) to 5.33% (No.5) in HSX; and overcame many strong names in the market such as FPT, ACBS, MBS to directly compete with SSI, HSC...
- The brand name was honored with prestigious awards.
- The Company was highly praised for its activities on information disclosure and information transparency.

GOVERNANCE REPORTS

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MEMBERS OF BOARD OF MANAGEMENT



VU ĐUC TIEN

CEO

Date of appointment:

01/11/2014

Education level:

Bachelor of accounting in banking

Experience:

20 years of experience in banking and securities fields

Ownership:

79,400 SHS shares (0.0079%)

Present positions at other companies:

- Vice Chairman of Board of Directors – Thanh Hoa Petroleum Construction Joint Stock Company
- Member of Board of Directors - Saigon – Hanoi Securities Joint Stock Company, Saigon – Hanoi Insurance Corporation, Vung Tau Real Estate and Construction Joint Stock Company, Petroleum Infrastructure Investments Joint Stock Company.



TRAN SY TIEN

DEPUTY CEO/CHIEF ACCOUNTANT

Date of appointment:

16/04/2014

Education level:

Bachelor in Economic

Experience:

21 years of experiences in the fields of banking and securities.

Ownership:

none (0%)

Present positions at other companies:

- Head of Supervisory Board – Thanh Hoa Petroleum Construction Joint Stock Company.
- Member of Supervisory Board - Petroleum Infrastructure Investments Joint Stock Company.

**NGUYEN CHI THANH****DEPUTY CEO/DIRECTOR OF HO CHI MINH BRANCH**

Date of appointment:

05/05/2014

Education level:

Master in Business Administration

Experience:

12 years of experience in securities field

Ownership:

None (0%)

Present positions at other companies:

None

**TRAN PHUOC HA NHI****DIRECTOR OF DA NANG BRANCH**

Date of appointment:

09/08/2011

Education:

Master in Business Administration

Experience:

09 years of experience in securities field

Ownership:

None (0%)

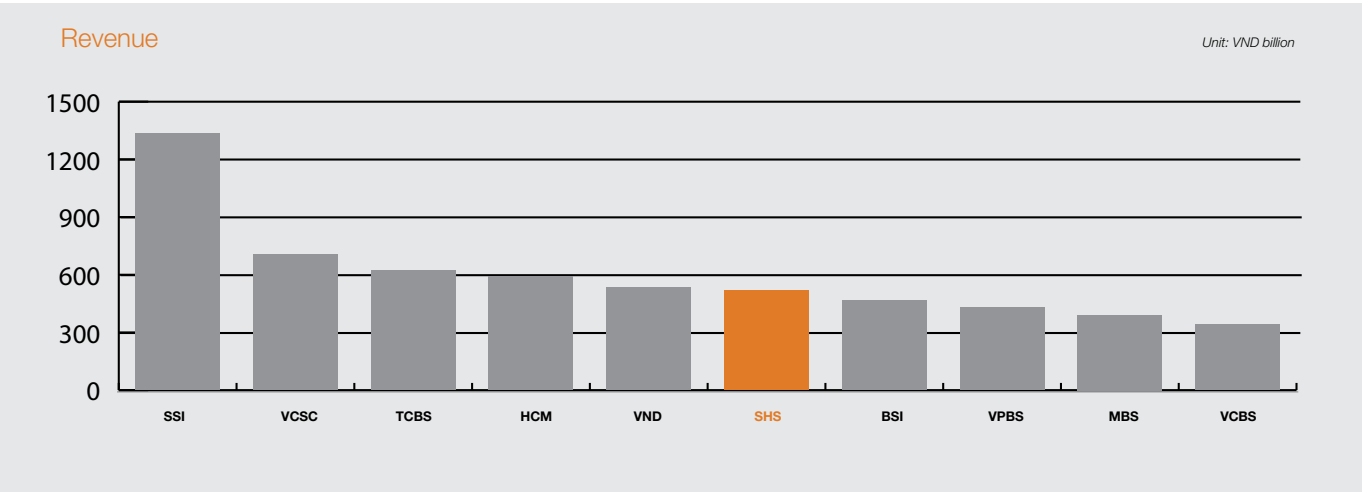
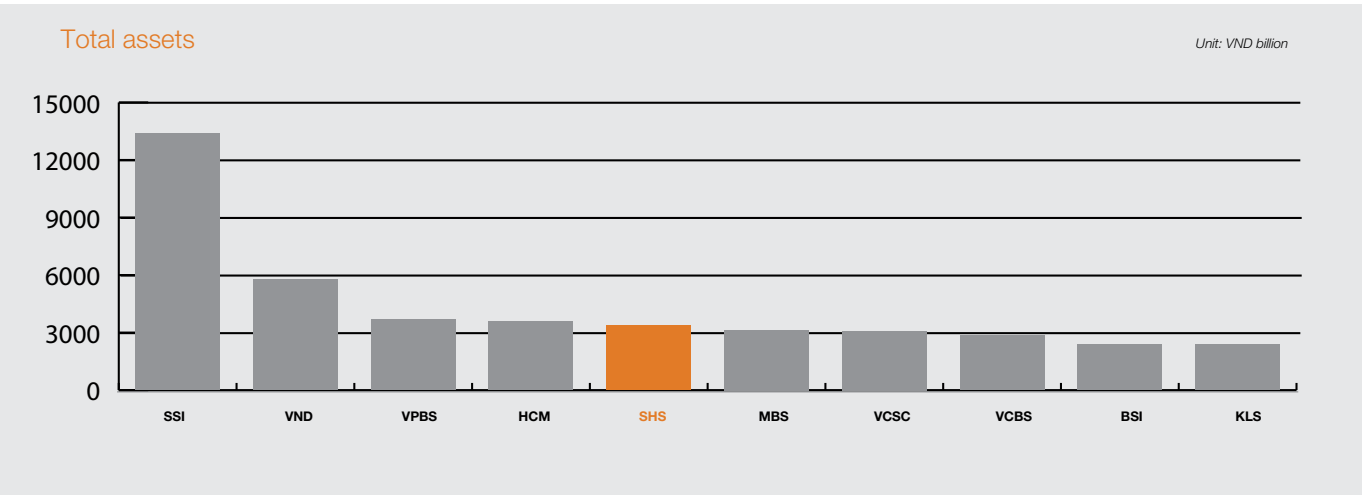
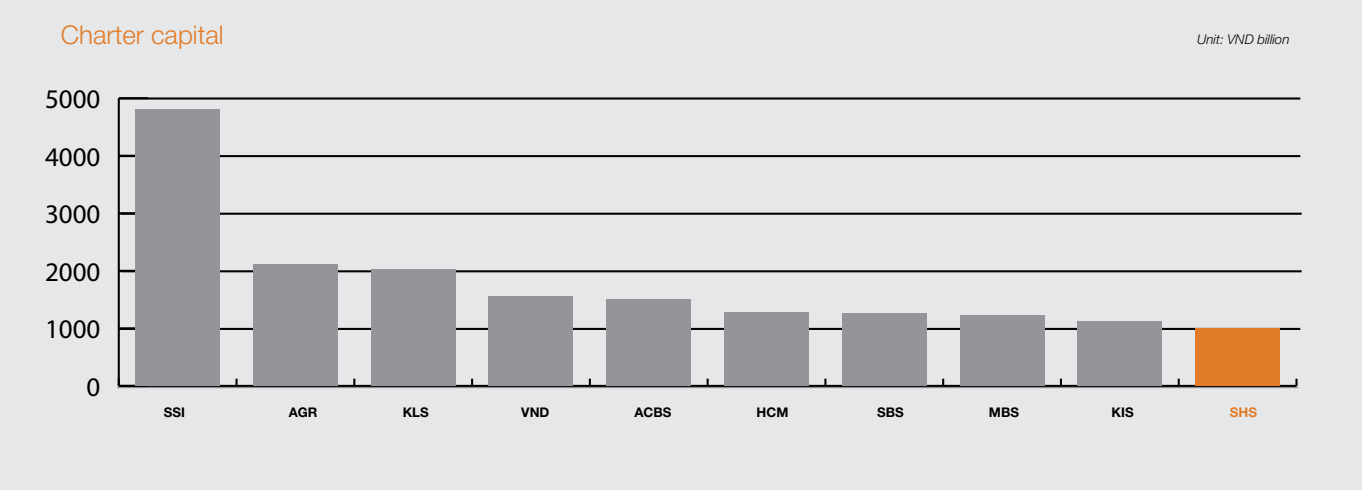
Present positions at other companies:

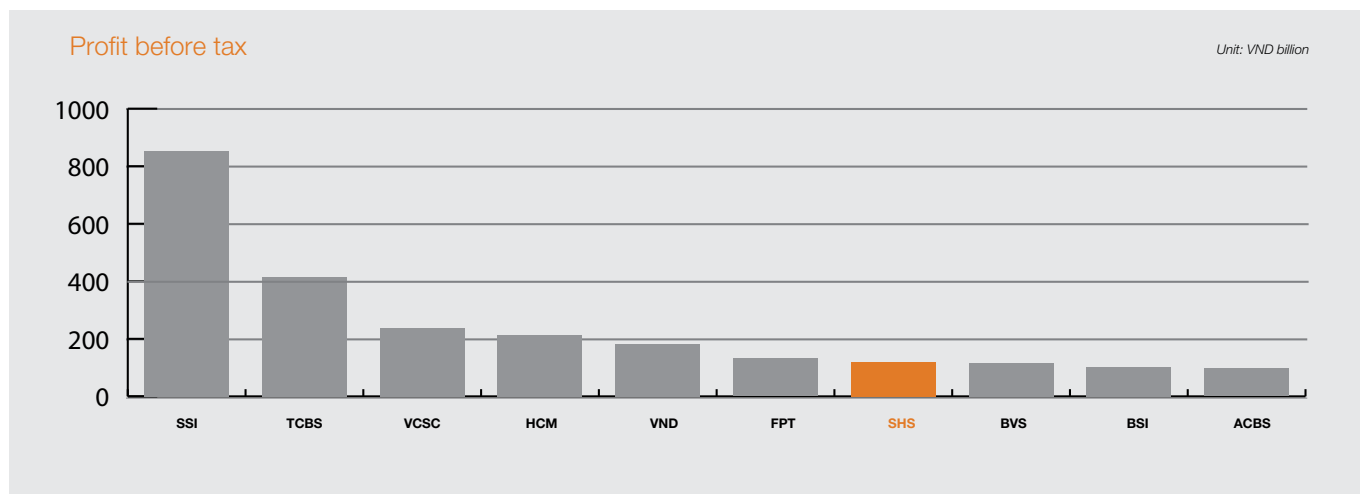
None

CHANGES IN BOARD OF MANAGEMENT:*Appointment: No**Dismissal: No*

REPORT OF BOARD OF MANAGEMENT

COMPARISON WITH OTHER SECURITIES COMPANIES





SHS ranks 10th in terms of charter capital, 5th in terms of total assets, 6th in terms of revenue and 7th in terms of profit before tax when compared with other securities companies. SHS has used its capital efficiently to generate revenue and profits.

REVIEW FINANCIAL PERFORMANCE OF THE COMPANY

FINANCIAL POSITION

Items		31/12/2015 (VND million)	01/01/2015 (VND million)	Change	
				Amount (VND million)	Percentage
Assets					
A	Current assets	3.345.263	3.147.071	198.192	6%
I	Cash and cash equivalents	825.020	1.603.563	(778.543)	-49%
1	Cash	750.020	1.338.913	(588.893)	-44%
2	Cash equivalents	75.000	264.650	(189.650)	-72%
II	Short- term financial investments	1.151.134	687.665	463.469	67%
1	Short-term investments	1.239.466	749.603	489.863	65%
2	Provision for short-term financial investments	(88.332)	(61.938)	(26.394)	43%
III	Short-term receivables	1.353.793	834.206	519.587	62%
1	Receivables from customers	5.760	2.572	3.188	124%
2	Advances to suppliers	85.306	85.404	(98)	0%
3	Short-term internal receivables	-	-	-	0%
4	Receivables from securities trading activities	17.293	17.229	64	0%
5	Other receivables	1.521.014	985.155	535.859	54%
6	Provision for short-term doubtful receivables	(275.580)	(256.154)	(19.426)	8%
IV	Inventories	146	120	26	21%
1	Inventories	146	120	26	21%
V	Other current assets	15.170	21.517	(6.347)	-29%
1	Prepaid expenses	-	420	(420)	-100%
2	VAT deductibles	-	-	-	0%
3	Tax and statutory obligations	12.188	12.188	-	0%
4	Other current assets	2.982	8.909	(5.927)	-67%

Items	31/12/2015 (VND million)	01/01/2015 (VND million)	Change	
			Amount (VND million)	Percentage
B Non-current assets	15.208	25.899	(10.691)	-41%
I Long-term receivables	-	-	-	0%
1 Long-term receivables of clients	-	-	-	0%
2 Working capital from sub-units	-	-	-	0%
3 Long-term internal receivables	-	-	-	0%
4 Other long-term receivables	-	-	-	0%
5 Provision for long-term doubtful debts	-	-	-	0%
II Fixed assets	2.299	5.343	(3.044)	-57%
1 Tangible fixed assets	1.363	2.473	(1.110)	-45%
- Cost	14.991	15.290	(299)	-2%
- Accumulated depreciation	(13.628)	(12.817)	(811)	6%
2 Leased fixed assets	-	-	-	0%
- Cost	-	-	-	0%
- Accumulated amortization	-	-	-	0%
3 Intangible fixed assets	936	2.870	(1.934)	-67%
- Cost	20.675	20.180	494	2%
- Accumulated amortization	(19.739)	(17.310)	(2.429)	14%
4 Construction in progress	-	-	-	0%
III Investment real estate	-	-	-	0%
- Cost	-	-	-	0%
- Accumulated amortization	-	-	-	0%
IV Long-term financial investments	-	10.692	(10.692)	-100%
1 Investment in subsidiaries	-	-	-	0%
2 Investments in associates and joint ventures	-	-	-	0%
3 Long-term securities investments	-	10.692	(10.692)	-100%
4 Other long-term investment	-	-	-	0%
5 Provision for long-term financial investments	-	-	-	0%
V Other long-term fixed assets	12.909	9.864	3.045	31%
1 Long-term prepaid expenses	2.887	2.456	431	18%
2 Deferred tax assets	-	-	-	0%
3 Payment for settlement assistance fund	8.199	5.699	2.500	44%
4 Other long-term assets	1.823	1.709	114	7%
Total assets	3.360.471	3.172.970	187.501	6%

Total liabilities & owners' equity of the Company in 2015 increased slightly VND187.5 billion (up 6% from 2014) because SHS makes profit before tax of VND118,2 billion. The Company uses VND107,9 billion of share premium and VND1,55 billion of sales proceeds of treasury shares to eliminate accumulated losses.

Items		31/12/2015 (VND million)	01/01/2015 (VND million)	Change	
				Amount (VND million)	Percentage
Resources					
A	Liabilities	2.332.575	2.265.171	67.404	3%
I	Current liabilities	1.752.550	2.265.146	(512.596)	-23%
1	Short-term borrowings	517.000	465.000	52.000	11%
2	Payables to suppliers	15	113	(98)	-88%
3	Advances from customers	851	794	57	7%
4	Tax and statutory obligations	5.895	7.448	(1.553)	-21%
5	Payables to employees	1.732	1.941	(209)	-11%
6	Accrued expenses	19.209	8.165	11.044	135%
7	Internal Payables	-	-	-	0%
8	Payables on securities trading activities	8.925	289.674	(280.749)	-97%
9	Dividend and interest payables	95	53	42	82%
10	Payable securities issuers	-	-	-	0%
11	Other short-term payables	1.198.689	1.491.711	(293.022)	-20%
12	Bonus and welfare fund	139	247	(108)	-44%
13	Unrealized Revenue	-	-	-	0%
14	Provision for short term payables	-	-	-	0%
II	Non-current liabilities	580.025	25	580.000	2320000%
1	Long-term payables to suppliers	-	-	-	0%
2	Long-term internal payables	-	-	-	0%
3	Other long-term liabilities	25	25	-	0%
4	Long-term borrowings	580.000	-	580.000	0%
5	Deferred income tax payable	-	-	-	0%
6	Allowance for loss of work	-	-	-	0%
7	Provision for long-term payables	-	-	-	0%
8	Provision for damages to investors	-	-	-	0%
B	Owners' equity	1.027.896	907.799	120.097	13%
I	Owners' equity	1.027.896	907.799	120.098	13%
1	Charter capital	1.000.000	1.000.000	-	0%
2	Share premium	310	108.234	(107.924)	-100%
3	Other capital	7.420	7.421	-	0%
4	Treasury shares	-	(1.550)	1.550	-100%
5	Differences in asset revaluation	-	-	-	0%
6	Exchange rate differences	-	-	-	0%
7	Development Fund	-	-	-	0%
8	Financial reserves	7.420	7.421	-	0%
9	Other funds	-	-	-	0%
10	Undistributed earnings	12.746	(213.727)	226.473	-106%
Total liabilities & owners' equity		3.360.471	3.172.970	187.501	6%

BUSINESS PERFORMANCE

No.	Items	Plan in 2015 (VND million)	2015 (VND million)	% 2015 Plan	2014 (VND million)	% Change
1	Revenue	598.278	518.759	87%	399.777	130%
1.1	Revenue from brokerage services	153.061	115.222	75%	95.025	121%
1.2	Revenue from securities investments and capital contribution	234.330	181.875	78%	168.444	108%
1.3	Revenue from securities underwriting	4.821	5.350	111%	188	2846%
1.4	Revenue from advisory services	90.147	55.244	61%	52.996	104%
1.5	Revenue from securities custody services	5.197	7.101	137%	4.058	175%
1.6	Revenue from entrusted auction activities	56	1.066	2%	36	2.961%
1.7	Other revenue	110.666	152.901	138%	79.030	193%
2	Total expenses	365.930	400.521	106%	277.683	144%
2.1	Operating expenses	306.502	349.041	114%	202.796	172%
2.2	General and administrative expenses	59.428	51.255	86%	74.950	68%
2.3	Other expenses	-	225	-	(63)	-
3	Profit before tax	232.348	118.238	51%	122.094	97%

In comparison with 2015 plan

Total revenue in 2015 was VND518,7 billion, representing 87% of plan because:

- Although Vietnam stock market increased in 2015, it has not achieved the Company's expected level which was used for plan 2015 (the average value of total transactions was only VND2,500 billion/trading session compared to plan of VND3,000 billion/trading session, 83% of plan). Additionally, in contrast of a modest increase of 6.12% in VN-Index, HNX-Index fell 3.64% compared to 2014 level. Since most of SHS' investment activities and its customers' activities were on the HNX, revenues of investment, brokerage and financial services dropped down.
- The ability to acquire new consulting contracts, especially IPO contracts, in 2015 was still limited. Growth in contracts of M&A advisory and financial restructuring advisory was not sustainable. Therefore, it reduced revenue of financial advisory and entrusted auction.
- The impact of the Circular 36 to bank's capital for SHS and its customers was greater than the projection. There is certain point in time, the Company could not utilize its capital hence reducing revenue of brokerage activities and financial services segments.

Total expenses in 2015 was VND400,5 billion, exceeding 6% of plan because:

- Due to the impact of Circular 36, funding for investment activities and financial services were borne a higher cost. Furthermore, at the end of each quarter, the Company has to balance its numbers of shareholding to comply with investment credit in accordance with applicable laws, reducing investment potential. Expenses of investment, capital contribution and financial services thereby increased more than planned.
- To develop brokerage business segment and to put SHS into top 5 securities companies with the largest brokerage market share in Vietnam, the Company has increased operation expenses for brokerage and brokerage supporting units in order.

Total revenue in 2015 reached 87% of plan, but the expenses exceeded 6% of plan therefore profits before tax only achieved VND118.2 billion, representing 51% of the plan number.

In comparison with 2014

Total revenue in 2015 was VND518,7billion, a 30% increase from the prior year:

- Vietnam economy as well as the stock market has improved in conditions in 2015, therefore creating opportunities for SHS to move forward. The Company's revenue, especially in brokerage, financial services, investment advisory and underwriting services, increased from the previous year.
- SHS has seized each and every investment opportunity in 2015 to generate profits: buy stocks in bear market when stock



prices are low and sell stocks in bull market when stock prices are high. SHS also has diversified its products & services to become more competitive in terms of margin lending rate, and account setup process which, in return, have attracted more clients opening securities trading accounts with SHS. Total revenue thus experienced strong growth in all business segments.

Total expenses in the year was VND 400.5 billion, 44% higher than 2014:

- Operating expenses in 2015 was VND349 billion, up 72% from 2014 because the Company expanded its operation as Vietnam economy and stock market became more favorable. SHS enjoyed growth in revenue, hence operation expenses had to increase accordingly. In addition, during the year the Company had a provision of diminution in value of listed securities of VND26.4 billion while in 2014, there was a reversal provision of VND44.5 billion.
- Thanks to several cost-cutting methods, total general and administrative expenses were only VND51 billion, down 31% from year 2014 even though a provision for doubtful debts of VND 3.6 billion was added.

Total revenue in 2015 increased by 30% while total expenses up 44% compared to 2014. Therefore, profit before tax in 2015 decreased 3% from the prior year.

In brief, though the Company did not achieve 2015 plan of revenue and profit, it still made remarkable revenue growth compared to a year before.

FINANCIAL HIGHLIGHTS

Currency: VND million

Statement of Income	Year 2014	Year 2015	% change
Net revenue	399.777	518.759	30%
Net profit	122.031	118.463	-3%
Other profits	63	(225)	-457%
Profit before tax	122.094	118.238	-3%
Profit after tax	122.094	118.238	-3%
Balance Sheet	As at 31/12/2014	As at 31/12/2015	% change
Total assets	3.172.970	3.360.471	6%
Liabilities	2.265.171	2.332.575	3%
Owners' equity	907.798	1.027.896	13%
Charter capital	1.000.000	1.000.000	0%
Outstanding shares (units)	99.845.000	100.000.000	0,16%
Capital structure ratios	As at 31/12/2014	As at 31/12/2015	
Assets			
Current assets/Total assets	99%	100%	
Liabilities			
Total liabilities/Total assets	71%	69%	
Total liabilities/Owners' equity	250%	227%	
Liquidity ratios			
Quick ratio	139%	191%	
Current ratio	139%	191%	
Profitability ratios	Year 2014	Year 2015	
Net revenue /Total assets	13%	15%	
Profitability ratios			
Profit after tax / Total assets	4%	4%	
Profit after tax / Owners' capital	13%	12%	
Profit after tax / Charter capital	12%	12%	
Profit after tax / Net revenue	31%	23%	
Basic earnings per share - VND	1.223	1.182	
Financial safety ratio			
As at 31 December	217,43%	231,01%	

Evaluation:

Business performance: Despite revenues increased by 30%, profit before tax in 2015 still decreased 3% because operation expenses increased more, up 44% from last year.

Total assets: Total assets increased modestly by 6% but it was mainly because of a 13% increase of owners' equity. Capital structure only changed slightly compared to the year earlier.

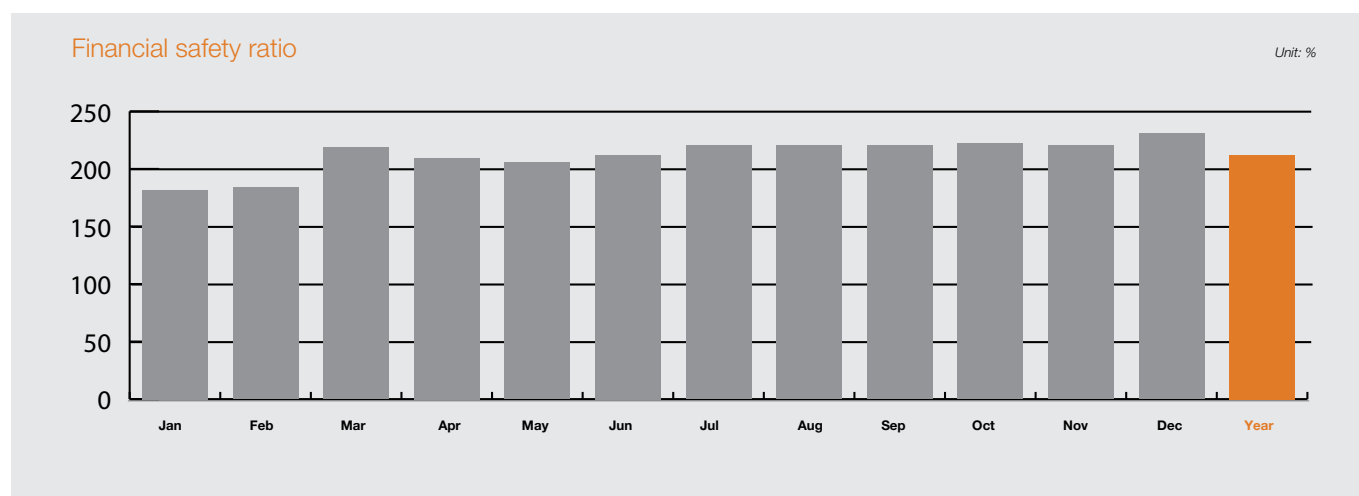
Current ratio and quick ratio: Both ratios have improved significantly from last year, to 191% from 139%. This resulted from an increase of VND200 billions of current assets while current liabilities decreased more than VND500 billion.

Profitability ratios: Most ratios in this category remained the same except profit after tax/net revenue ratio fell to 23% from 31%. Although all business segments experienced strong growth at the average growth rate of 30%, operation expenses gained 44% compared to 2014, inhibiting profit after tax/net revenue ratio.

Financial safety ratio: Financial safety ratio in 2015 has increased slightly to 231.01% from 217.43% in 2014.

FINANCIAL SAFETY RATIO

During the year, SHS met the financial safety ratio required by the State Securities Commission. The average of financial adequacy ratio was 212.12%, in which the highest ratio was 231.01%, and the lowest ratio was 181.58%. The Company's financial safety ratio has increased steadily over the course of the year since SHS has managed its financial capacity more efficiently in order to comply with SSC requirements.



INVESTMENT POSITIONS AND IMPLEMENTATION OF INVESTMENT PROJECTS

Since at the beginning of 2015, many has predicted that Vietnam stock market would go through some difficult time due to the impact of Circular 36, SHS did not take big position in financial investments or project investments.

List of securities holdings in 2015

Type of securities	01/01/2015		Purchase during the year		Sales during the year		31/12/2015	
	Volume	Value (VND million)	Volume	Value (VND million)	Volume	Value (VND million)	Volume	Value (VND million)
Listed securities	35.669.876	622.156	42.297.997	1.467.728	43.539.799	1.542.786	34.428.074	547.098
1 Stock	33.669.876	602.156	36.947.997	921.755	38.189.799	996.813	32.428.074	527.098
2 Bond	0	0	5.350.000	545.973	5.350.000	545.973	0	0
3 Fund certificate	2.000.000	20.000	0	0	0	0	2.000.000	20.000
4 Other securities	0	0	0	0	0	0	0	0
Unlisted securities	5.895.241	138.139	15.484.398	1.266.393	12.389.579	1.331.980	8.990.060	72.552
1 Stock	5.895.151	48.139	15.483.398	266.393	12.388.489	241.980	8.990.060	72.552
2 Bond	90	90.000	1.000	1.000.000	1.090	1.090.000	0	0
3 Fund certificate	0	0	0	0	0	0	0	0
4 Other securities	0	0	0	0	0	0	0	0
Total	41.565.117	760.295	57.782.395	2.734.121	55.929.378	2.874.766	43.418.134	619.650

During the course of the year, SHS purchase VND 2,734.1 billion of securities and sold VND2,874.8 billion. Investment holdings as at the balance sheet date was VND619,6 billion in value.

Investment holdings as at balance sheet date:

Items	As at 31/12/2015 (VND million)	As at 01/01/2015 (VND million)	Increase/Decrease	
			Amount	%
SHORT-TERM INVESTMENTS	%	749.603	489.863	65%
Listed stock, fund certificate	547.098	622.156	(75.058)	-12%
Unlisted stock, fund certificate	72.552	37.447	35.105	94%
Unlisted bond	0	90.000	(90.000)	-100%
Deposits with maturity more than 3 months	619.816	0	619.816	-
LONG-TERM INVESTMENT	0	10.692	(10.692)	-100%
Unlisted stock, fund certificate	0	10.692	(10.692)	-100%
Total	1.239.466	760.295	479.171	63%

As at 31/12/2015, total value of SHS's investments was VND1,239.4 billion, which including VND619.6 billion of stocks and VND 619.8 billion of deposits with maturity more than 3 months, and which is 100% short-term investments, increased VND479.1 billion (i.e. 63%) compared to 01/01/2015.

Provision for diminution in value of investments:

Items	As at 31/12/2015 (VND million)	As at 31/12/2014 (VND million)	Increase/Decrease	
			Amount (VND million)	%
Short-term investment	(88.332)	(61.938)	(26.394)	43%
Long-term investment	0	0	0	0%
Total	(88.332)	(61.938)	(26.394)	43%

In 2015, the Company made a provision for diminution in value of investments of VND26.4 billion, 43% more than 2014 while the previous year it had a reversal provision of VND44.5 billion including provision for diminution in value of short-term investment (VND25.3 billion) and provision for diminution in value of long-term investment (VND19.2billion).

IMPLEMENTATION OF REGULATIONS ON CORPORATE GOVERNANCE

Being one of Vietnam leading securities companies and a listed company on the Hanoi Stock Exchange, SHS has paid special attention to comply with regulations on corporate governance.

Firstly, the Company has always adhered to regulations on corporate governance stipulated in the Enterprise Law, Securities Law, Code of Securities Ethics, Circular 121, Circular 210, and Circular 52 (now Circular 155) and other laws and guiding documents on corporate governance. Any changes in corporate governance policies arising from the State authorities are updated, evaluated and implemented promptly by the Company.

Furthermore, the Company also complies to the best practices of corporate governance according to the guidelines of the Organization for Economic Co-operation and Development (OECD). The Company is studying International Financial Reporting Standards (IFRS) in order to adopt IFRS in the future when Vietnam becomes deeper integration into global market.

The implementation of regulations on corporate governance in 2015 was shown in the followings:

- SHS has built a completed organization structure in accordance to international practices includes: General Shareholders, Supervisory Board, Board of Directors, Internal Audit, Board of Management, and the relevant departments (separated into direct departments and indirect departments)
- The Company's internal documents system including the Charter, Regulations on Governance, Human Resource Management and Training Regulations is built in line with securities companies' characteristics and does not conflict to provisions of the applicable laws.
- The number of members in Supervisory Board and Board of Directors meets provisions of the applicable law on corporate governance. SHS inhibits members of Board of Directors to take management positions concurrently in order for them to remain independently. At SHS, only one member of Board of Directors (other than the Chairman) could take CEO position to ensure their independence while obtaining fully and timely messages from Board of Directors.

- Board of Directors also established committees as stipulated by law: Development Policy Committee, HR – Remuneration Committee, Risk Management – Audit Committee, Financial Accounting - Internal Control Committee in order to support Board of Directors' activities
- Supervisory Board's members are entitled to access all information and documents relating to the Company's operations and are allowed to be fully proactive in planning inspection and control in order to strengthen their oversight role over Board of Directors and Board of Management.
- The Company's management structure from Board of Directors to the Board of Management and departments is decentralized and regulated clearly in terms of functions and tasks in accordance with the applicable laws. The authorization is executed and supervised closely. The approved limits are issued in written forms as the basis for implementation. Coordination mechanism among head office, branches and transaction offices are clearly defined in the operating procedure. Regular and extraordinary meetings of Board of Directors, Supervisory Board, and Board of Management as well as taking their voting opinions are complied with provisions set out in SHS' Charter and operation regulations for each corporate level. Members who have economic benefits related to a particular contract will not have voting rights on that matter.
- The Company's Charter specifies responsibility on honesty and conflict of interests with a major shareholders, insiders and related personnel. Insiders are obliged to public their transactions or benefits, if any, which potentially create conflict of interests. Those transactions, in case of necessity, must have an independent consulting organization evaluated and commented on the fairness and rationality before being implemented. Contracts and transactions with major shareholders, insiders and related personnel are evaluated and approved on the basis of applicable laws, transparency and full disclosure in management reports, annual reports, financial statements of the Company. In addition, SHS does not provide margin lending for major shareholders, insiders, related personnel and key management personnel.
- Insiders (including members of Board of Directors, Supervisory Board, Board of Management and BOD staffs) are encouraged to attend internal and external training courses on corporate governance.
- Investor relations are especially focused with fairness principle between all shareholders. Accordingly, all shareholders, whether individuals or institutional shareholders, domestic or foreign shareholders, major or minor shareholders ... are treated equally on the basis of their voting rights. Each share of the same type gives shareholders the equal right, obligation and benefit. Shareholders right is defined in Article 26 of the Company's Charter with details:

+ SHS guarantees to shareholders the right to access information and participate in the AGM. All shareholders are invited to the AGM. The Company's AGM is fixed in April to ensure that all shareholders could arrange time to attend, and held at the Hall of the building where SHS' head office located. Shareholders will have a chance to visit SHS' office after the AGM to interview/discuss with Board of Directors, Supervisory Board, Board of Management and staffs about the Company's operation. Information on the time, place and agenda as well as documents of the AGM are mailed to shareholders and, at the same time, posted on SHS' website. In case, shareholders have lost their AGM invitation, they are still entitled to attend the meeting if they can present their Identification card. Shareholders are guaranteed the right to participate, give opinions and vote in the AGM. Independent auditors who audit the annual financial statements of the Company are invited to attend the AGM to explain the data and audit opinions to shareholders if requested. Remote shareholders can exercise their voting rights by authorizing to other person. The authorization act can be done on the website to provide best convenience to shareholders.

+ SHS guarantees the shareholders' rights to nominate candidates and elect members of Board of Directors and Supervisory Board: The Company's Charter stipulates that shareholders/group of shareholders holding at least 5% of the outstanding shares have the right to nominate candidates and elect members of Board of Directors and Supervisory Board .

+ SHS protects the shareholders' rights: Shareholders have right to vote for important decisions which affect their benefits, be prioritized to purchase shares offered by SHS (if any); and shareholders have benefits such as receiving dividends... Shareholders/group of shareholders holding at least 5% of the outstanding shares have the right to request Supervisory Board to review the Company's operation, and management quality of Board of Directors, Board of Management, or even request Supervisory Board to commence a civil action against members of Board of Directors, Board of Management.

+ SHS ensures shareholders' rights on shares transferring unless in case of transfer restrictions in accordance with applicable laws and the Company's regulation.

+ SHS ensures shareholders' rights of being fully informed about any periodical information and extraordinary information: Information is disclosed fully, timely and transparently. SHS appoints a representative to do information disclosure. Every shareholder has a right to access information about the Company's operation via the authorized representative. SHS website provide financial information as well as the Company's recent activities. SHS builds an information disclosure process and a list of information required to be disclosed in accordance with legal regulations on information disclosure. Information disclosure process and a list of information required to be disclosed are announced to each department, allowing employees self-check and notify the authorized representative about new arising information required to be disclosed. CEO directly instructs on information disclosure. Any information that may affect to the Company's operations, stock prices, or investors' decision is disclosed publicly and transparently on media such as the Company's website, facebook page, presses... to

shareholders. Language used in information disclosure announcement is clear and easy to understand. Shareholders also can access information about the Company via its publications that are available at seminars held by stock exchanges, or seminars for investors. Shareholders have right to be informed about shareholder structure periodically, to access information about insiders and related personnel at any time as well as information on the final list of shareholders provided by VSD. Products & services fees of SHS are publicly available on the website and at head office, branches, transaction office to provide transparency and better service.

- The Company publicly discloses information on corporate governance at AGM, in Annual Reports and Corporate Governance Reports.
- SHS also protects the interests of related parties, such as clients, suppliers, partners, community and society by disclosing publicly information and willing to receive comments or suggestions on the Company's operations.

Nevertheless, some contents of corporate governance have not been fully implemented yet, such as:

- There is no independent member of Board of Directors since the Company could not find best candidate.
- SHS has not established an electronic voting platform for shareholders to elect electronically in case shareholders can not participate at the AGM in person but do not want to authorize another person to do it for them.
- SHS has not defined the role of minor shareholders in the Company's Charter when it comes to giving approval and opinions with regards to conflicts of interest transactions.
- SHS did not pay dividend to shareholders in 2015 (just eliminated accumulated deficit in the year)
- Approval limits and other limits (such as investment limits, margin lending limits....) are built on the basis of compliance with provisions of securities law.

Plans in 2016

- Find good candidate for independent member of Board of Directors position who has experience and meets all requirements of the securities law.
- Install electronic voting platform for next year AGM.
- Define the role of minor shareholders in the Charter.
- Develop sustainably using internal resources, and have good risk management in order to do dividend payment commitment of at least 10% to shareholders.
- For better corporate governance, SHS has to build a better approval limits with more details to meet requirements on corporation governance and risk management. Therefore, for 2016 plan, the Company will strive to build a system of approval limits.

BUSINESS PLAN IN 2016

ASSUMPTIONS FOR BUSINESS PLAN IN 2016

In the context of the recovery of Vietnam economy, prospect of stock markets is positive even though there are still domestic and international risk factors. Some important policies for securities field are expected to be issued in 2016 such as circular guiding the new accounting regime for securities companies, list of conditional business fields for foreign ownership, continued implementation of merger of 02 stock exchanges (HOSE, HNX) into Vietnam Stock Exchange, decree guidance on the derivatives and derivatives market, decree on intraday trading and trading of securities that has been sold/bought but not yet arrived to the investor's account, circular regulating securities practices, circular providing regulations on the establishment and operation of securities companies, revised decree on sanctioning of administrative violations in securities field. These new policies will have direct impact on securities companies, including SHS.

For securities companies

- Issuance of bonds and shares will continue to increase with the purpose of providing working capital and meet requirements of State Securities Commission to be able to participate in the launching of new products.
- The competition for brokerage market share among securities companies will be fiercer as the market share of the Top 10 is expected to be larger than the rest. Moreover, because there will be the participation of securities companies with 100% foreign capital, customer service, research and launching of new products (such as bonds, ETF products, derivative products, intraday trading) will have to be improved better and be more flexible. Current trend of competitiveness is to focus on the quality of consulting personnel and in-depth research reports. Broker business segment will experience increasing competitiveness since more securities companies turn their attention to institutional investors. Additionally, bonds brokerage service is anticipated to become more active.
- Investment activities in listed securities will have opportunities and challenges as political factors, turbulence from global economy still remain. This requires securities companies to be more flexible and more alert. Moreover, divestment of SOEs may bring investment opportunities which are hard to find in normal business condition.
- For corporate finance advisory and underwriting, 2016 is expected to be a year full of opportunities because of SEOs divestments, M&A deal sourcing by foreign investors, enterprises restructuring. Furthermore, with new compulsory regulations, enterprises listing activities are forecasted to be active as more enterprises want to reduce their dependence on credit loans from banks.

For SHS

Advantages:

- Stock market has been receiving supports from the authorities in term of policies: increase in equitization of SOECs (especially, high-quality SOEs), loosen foreign ownership limit, develop new products, establish derivatives market, provide solutions to upgrade Vietnam's stock market from frontier market to emerging one... These are positive factors which will help Vietnam market to be more vibrant, thus generating a good environment for SHS to expand its brokerage activities, and investments.
- After successfully eliminating accumulated deficits, SHS' operation will have more advantages. The Company is able to issue shares to raise its charter capital, meeting the requirements on capital for launching new products.
- Listing activities are also expected to increase. Equitizations, IPO of SOEs, divestments non-core assets of SOEs Group, bank restructuring will create opportunities for SHS' investment activities as well as corporate finance advisory.
- Further enhancement on criteria of controlling securities companies' operation, and stricter requirements on charter capital for practicing new businesses will be an opportunity for SHS as these requirements will naturally reduce competitors.

Disadvantages:

- The stock market is anticipated to have many difficulties in 2016 such as domestic capital continues to be suffered from the impact of credit tightening policy, foreign capital gets negative impact from the global, and the increasing supply of new shares on stock market. Besides, external potential risks, especially from China, will generate negative effect on Vietnamese economy and stock market. In this context, SHS tries to take advantage of every opportunities to improve revenues from brokerage, corporate finance advisory, and financial service... At the same time, proprietary trading requires flexibility to quickly grasp new investment opportunities.
- Regulation on the strengthening of risk control of banking system, especially credit tightening for securities investments and securities trading will cause difficulties for securities companies in general. In addition, interest rates are anticipated to soar up in 2016, affecting securities funding activities of securities companies. These factors will be disadvantages for stock market as a whole, and put pressure on SHS' margin funding activities.

- Process of restructuring securities sector by categorizing securities in accordance with CAMEL standards, implementation of new accounting regime applicable for securities companies with more regulations on provisions, information disclosure required in English These will increase SHS' operation expenses and financial safety ratio, thus affecting the Company's flexibility in operations management.
- Since securities market has been going through difficult period, to compete with other securities companies, SHS has to improve the quality of its growth which requires the investments in human capital and technology to maintain and increase its market shares. This results in an upward shift in operation expenses – pressure on the Company's financial ratios in short term.

From the above analysis, SHS outlines assumptions as the basis for business plan in 2016 as follows:

- Stable politic
- Stable macroeconomic, higher growth than 2015.
- Average value of market trading reaches VND2,200 billion per session and VN-Index closes at 620 points (+/- 10 points) at the end of the year.
- Market shares of SHS in the Top 5.
- SHS successfully raises charter capital by bonds issuance as planned.

BUSINESS PLAN FOR 2016

Based on the above assumptions, SHS set out its action plan in 2016 with priority as below:

- Maintain and improve the position achieved in 2015 (Top 5 securities companies with the largest brokerage market share in Vietnam). Step up in brokerage business segment with special emphasis on quality of broker service and investment consulting.
- Maintain the sources of funding for investors. Develop flexible financial products which can automatically integrate with trading software. Manage potential risks arising during operation.
- Hire more high-quality workers, and expand corporate finance advisory services, especially IPO, M&A, restructuring & listing advisory, so that SHS will be one of the best financial advisory firms in Vietnam.
- Take advantage of investment opportunities in listed securities on the market. Search for value investment opportunities through being strategic shareholders, or through IPO auctions of SOEs in 2016.
- Control risk management, anti-money laundering, strengthen financial safety must still be in focus during the process of developing SHS' business model towards a dynamic, professional, discipline organization.
- Find solutions to enhance the Company's financial strength by achieving good financial safety ratios, and prepare enough funding for its operation activities and for requirements of the authorities in order to launch new products & services.



SHS business plan in 2016 as follows:

Items	2015 (VND million)	2016 plan (VND million)	% 2016/2015
Total revenue	518.759	522,805	100.78%
Total expenses	400.521	396,779	99.07%
Profit before tax	118.238	126,026	106.59%
Brokerage market share	Top 5	Top 5 (Emphasis on quality growth over quantity one)	

MEMBERS OF BOARD OF DIRECTORS



DO QUANG HIEN

CHAIRMAN OF BOD

Appointment date:

03/12/2007

Member

Dependent and non-executive

Education:

Radio Physics Engineer

Experience:

22 years of experience in the fields of finance, banking and securities

Ownership:

25,000 SHS shares (0.025%)

Present position at other companies:

- BOD's Chairman of T&T Group JSC., Saigon – Hanoi Joint Stock Commercial Bank, Saigon – Hanoi Fund Management JSC., Saigon – Hanoi Insurance Corporation JSC, SHB Industrial Zone and Urban Development Joint Stock Company, T&T Ha Giang Mineral Exploitation and Processing Joint Stock Company.
- CEO of T&T Group JSC



LE DANG KHOA

MEMBER OF BOD

Appointment date:

22/03/2013

Member

Dependent and non-executive

Education:

Master in Business Administration

Experience:

6 years of experience in banking field

Ownership:

- None (0%)
- Owns 4,800,000 SHS shares (4.8%) as representative of Saigon – Hanoi Joint Stock Commercial Bank;

Present position at other companies:

- Deputy Chairman of BOD – Saigon – Hanoi Insurance Corporation JSC;
- Deputy Director of Saigon – Hanoi Joint Stock Commercial Bank.



VU DUC TIEN

MEMBER OF BOD

Appointment date:

15/09/2014

Member

Dependent and executive

Education:

(See in Board of Management)

Experience:

(See in Board of Management)

Ownership:

(See in Board of Management)

Present position:

(See in Board of Management)

**MAI XUAN SON****MEMBER OF BOD**

Appointment date:

24/01/2014

Member

Dependent and non-executive

Education:

Bachelor in Business Administration

Experience:

17 years of experience in finance and business administration fields

Ownership:

- 44 SHS shares (0.002%)
- Owns 12,327,000 SHS shares (12.327%) as representative of T&T Group JSC

Present position at other companies:

- BOD's chairman of Handicraft and Art Articles Export – Import Corporation – Artexport Vietnam
- Deputy Director – T&T Group JSC
- Director – T&T Motor Company Ltd.

**NGUYEN THANH QUANG****MEMBER OF BOD**

Appointment date:

09/04/2015

Member

Dependent and non-executive

Education:

Bachelor in Financial Accounting

Experience:

11 years of experience in finance, auditing, business administration fields.

Ownership:

None (0%);

Present position at other companies:

- BOD's member of Handicraft and Art articles export – import corporation, Saigon – Hanoi Insurance Corporation JSC
- CEO – International Financial Consultant and Investment JSC

CHANGE IN MEMBERS OF BOARD OF DIRECTORS IN 2015

New appointment: Mr. Nguyen Thanh Quang as member of Board of Directors from 09/04/2015

Dismissal: No

REPORT OF BOARD OF DIRECTORS

SUB-COMMITTEES OF BOARD OF DIRECTORS

No.	Committee	Member of BOD in-charge
1.	General Management	Do Quang Hien – Chairman of BOD
2.	Policy Development	Do Quang Hien – Chairman of BOD
3.	HR and Salary & reward	Vu Duc Tien – Member of BOD
4.	Risk Management and Internal Audit	Mai Xuan Son - Member of BOD Nguyen Thanh Quang – Member of BOD
5.	Financial Accounting and Internal Control	Le Dang Khoa - Member of BOD Nguyen Thanh Quang – Member of BOD

COMMITTEE FOR POLICY DEVELOPMENT

- Research and build development direction for the Company, make adjustments in line with reality, present to Board of Directors for approval in accordance with regulation and Company's charter.
- Research on changes or adjustments of macroeconomic and microeconomic policies, new regulations of Ministry of Finance, State Securities Commission, Ha Noi Stock Exchange, Ho Chi Minh City Stock Exchange and Vietnam Securities Depository on securities, corporate governance, risk management, financial safety in order to adjust the Company's policies accordingly.
- Review and monitor the Company's operations to ensure compliance of general strategy approved by General Shareholders and of applicable laws and the Charter.

COMMITTEE FOR HUMAN RESOURCES, SALARY AND REWARDS

- Give advises to Board of Directorson issuing procedures, regulations and policies related to human resources in accordance with applicable law and Company's charter.
- Give advises to Board of Directorson handling human resources' issues that arise during procedures of election, dismissal of members of Board of Directors, Supervisory Board, and Board of Management in accordance with applicable law and Company's charter.
- Research and advise Board of Directorson issuing SHS' internal regulations which are under the jurisdiction of Board of Directors on regimes for wages, remuneration, bonus, HR selection, training and other preferential policies. Check and evaluate the implementation of those procedures and regimes, then advise Board of Directors to make adjustments to those policies in accordance with actual situation and SHS' development strategy.

COMMITTEE FOR RISK MANAGEMENT AND INTERNAL AUDIT

- Research and advise Board of Directors on building up policy for risk management, procedure for operational risk management and internal audit in accordance with applicable law and Company's charter;
- Check and evaluate the implementation of policies and procedures of risk management and internal audit, then based on that, advise Board of to make adjustments to those policies in accordance with actual situation and SHS' development strategy.
- Directly supervise and manage all activities, reports of Risk Management Department and Internal Audit Department.

COMMITTEE FOR FINANCIAL ACCOUNTING AND INTERNAL CONTROL

- Give advises to Board of Directors on issuing procedures, regulations and policies related to financial accounting activities in accordance with applicable law and Company's charter
- Evaluate financial statements, accounting records and accounting data of the Company, reports to Board of Directors and propose solutions to solve problems
- Advise to Board of Directors on managing arising financial issues during the implementation of business operation in accordance with applicable law and Company's charter;

- Check and evaluate the implementation of policies and procedures of financial accounting, internal control to ensure financial safety, and reduce bad debts... Based on that, advise Board of Directors to make adjustments to those policies in accordance with actual situation and SHS' development strategy.

BOARD OF DIRECTORS' OFFICE

Board of Director's office with a role of secretary and consultant of Board of Directors performs several tasks such as: investor relations, manage shareholder's book, implement tasks as directed by Board of Directors, the Chairman, arrange business trip for Board of Directors, Supervisory Board, and CEO; compose and build storage system for documents, procedures, policies, and reports... of General Shareholders and Board of Directors; guide and monitor all departments in compliance with applicable law and the Company's Charter; support other divisions in their daily operations when needed; manage about dividend payment activities, uncustodied certificate of shares ownership, legal support shareholders on SHS' shares transferring.

INTERNAL AUDIT DEPARTMENT

Internal Audit Department assists Board of Directors' risk management activities; audit business operation of the Company and constantly make proposals and recommendations towards solving existing risks, and improve the quality of business operations.

ACTIVITIES OF BOARD OF DIRECTORS

Board of Directors activities are in accordance with applicable laws and the Company's Charter

In 2015, Board of Directors' activities have concentrated on the following issues:

- Set direction for Board of Directors' activities in 2015.
- Update the Company's activities through reports of Board of Management and Internal Audit.
- Give instructions on the Company's operations direction.
- Appraise and approve Board of Management's business proposals in accordance with legal regulations and the Company's regulations.

The Board's activities included board meetings, direct instructions or approvals of Resolutions, Decisions and Proposals.

Chairman of the Board of Directors directly instructs and supervises Board of Management on SHS' business operations, gives timely solutions in accordance with each development phase of the Company, the context of Vietnam economy and stock market.

Members of the Board closely follow their assigned business segments, make updates based on reports, data, records of Supervisory Board, Board of Management, Internal Audit department and report these updated data the rest of Board of Directors in order to have promptly solutions, directors and support to Board of Management, especially during turbulent time of stock market with many new issued policies.

SUPERVISORY ACTIVITIES OF BOARD OF DIRECTORS OVER BOARD OF MANAGEMENT

In 2015, the Board of Directors supervisory activities are shown as followings:

- Direct and supervise Board of Management on reviewing the Company's operations in 2014
- Instruct, direct and supervise Board of Management to complete draft of business plan in 2015 and submit to General Meeting of Shareholders to approve.
- Direct the organization of AGM and EGM in 2015
- Instruct and direct Board of Management to implement quarterly and annually business plan
- Monitor and daily update Board of Management activities on SHS' business operations
- Direct Board of Management to review business operations and compose, revise system of documents, regulations and business processes to be able to adapt quickly to new legal regulations especially when these new legal regulations on securities and banking sectors directly affecting the Company's operations.
- Supervise Board of Management's reports

MEETINGS OF BOARD OF DIRECTORS

In 2015, the Board of Directors has organized 5 meetings on 03/4/2015, 25/6/2015, 27/10//2015, 05/12/2015 and 16/12/2015

Regular meeting for Q1/2015 on 03/4/2015

- Approved the business results for 2014 and business plan for 2015. Review on business performance for Q1/2015.
- Agreed on the content of Report of Business performance in 2014 presented by Board of Management in the meeting.
- Approved Supervisory Board's Activities report and Appraisal report of 2014 financial statements.
- Approved the time and venue of the 2015 AGM and the main content of the reports to be presented at the meeting.
- Reported on the amendment of the Charter and the application of amended Charter in 2014, proposed General Shareholders to authorize the Board of Directors to amend the Charter and apply the amended Charter in accordance with the Enterprise Law 2014;
- Approved on the elections of Member of Supervisory Board to replace Mr. Luong Duc Chinh at the 2015 AGM;
- Approved on the appointment of Mr. Nguyen Thanh Quang hold position of Member of Board of Directors – SHS.
- Approved the issuance of corporate bond 2015 from VND1,000 - 1,500 billion and appointed CEO to build detailed plan of the bond issuance then report to Chairman of Board of Directors for approval.

Regular meeting for Q2/2015 on 25/6/2015

- Evaluated business results for the first 6 months of 2015.
- Reviewed the 2015 AGM organization.
- Approved several authorization under the Board's competence.
- Approved the bond issuance plan of VND250 billion corporate bond with 2 years tenor period 1/2015. Expected issuance date was in Q3/2015.

Regular meeting for Q3/2015 on 27/10/2015

- Evaluated business results for the first 09 months of 2015.
- Implemented Resolutions of the 2015 AGM and business plan for Q4/2015 to achieve the target approved by the AGM.
- Approved the bond issuance plan of VND400 billion corporate bond with 2 years tenor period 2/2015. Expected issuance date was in Q4/2015.

Regular meeting for Q4/2015 on 05/12/2015

- Approved business result for 2015 and business plan for 2016.
- CEO reported implementation results of the Board of Directors' decisions on investing in some corporate bonds in the last months of 2015, and the Company financial situation as of 12/2015.
- Approved the investment Bank bonds and corporate bonds.

Extraordinary meeting on 16/12/2015

- Approved on the underwriting plan of Local Government Bond.

DOCUMENT ISSUED

In 2015, the Board of Directors has issued 01 Resolution and 20 Decisions, approved 19 Appraisals of the Board of Management related to many key issues of the Company, providing guidance and direction for the Board of Management to implement their tasks.

ACTIVITIES OF INDEPENDENT MEMBER OF BOARD OF DIRECTORS

SHS has no independent member of Board of Directors.

LIST OF MEMBERS OF BOARD OF DIRECTORS HAVING CERTIFICATION ON CORPORATE GOVERNANCE

All members have participated in training programs on corporate governance organized by the Securities Training Center - SSC and training courses on corporate management for leaders of commercial banks.

ASSESSMENT OF BOARD OF DIRECTORS

REGARDING THE COMPANY'S ACTIVITIES

The VN-Index grew modestly by 6.12%, equivalent to three quarters of the increase in 2014 and more than one quarter of the growth in 2013. This seems to be contrary to positive signs of macroeconomic growth in 2015. The most negative effects on Vietnam stock market came from external factors: oil prices and the exchange rate.

Still, 2015 was good year for SHS with brokerage market share of 8.34%, 3rd ranking in HNX, and 5.33%, 5th ranking on HSX. Revenue of 2015 was VND518.76 billion, an increase of 30% from the prior year, profit before tax reached VND118.24 billion, ranked 7th among securities companies in terms of profit after tax and net profit after tax per employee and ranked 3rd in terms of revenue per employee.

SHS was one of twelve securities companies receiving the award “Top securities member firm for the period of 2005 – 2015” by Ha Noi Stock Exchange. SHS also received Merit from Chairman of Hanoi's People Committee for its long-term contribution to the development of Capital Enterprises in 2015. Mr. Vu Duc Tien - member of Board of Directors and CEO of the Company received the Merit from Chairman of Hanoi People's Committee and Merit of Association of Small and Medium Enterprises in Hanoi for Excellent Manager in 2015.

Brokerage activity: SHS' brokerage business increased its market share significantly during the last 2 quarters of 2015, reaching 8.34% (top 3) market shares in HNX, and 5.33% (top 5) in HSX. Brokerage revenue increased from VND95 billion (2014) to VND115 billion. Particularly, in Q2/2015, most securities companies' brokerage revenue declined while SHS, one out of 2 securities companies, experienced sharp increase in revenue (VND30 billion). The Companies advantages were cash on hand (around VND1,000 billion), diversify products & services related to margin lending, cash advance, auto debt collected, and advanced trading system platform.

Investment activities: The Company's investment profit reached VND180 billion, an increase of VND13 billion from a year earlier, largely contributing to SHS' total revenue. This increase was due to SHS' ability to seize market opportunities: investment portfolio comprised of enterprises that experience sustainable growth, and enterprises that have advantages from TPP Agreements (including banks, textile companies, real estate companies...) at the same time, SHS maintained its capital contribution in some strategic firms.

Corporate finance advisory and Underwriting activities: In 2015, the Company has strong growth of revenue in compared with the previous year. SHS honored to be received the Award “Top Securities Company” at the Vietnam M&A Forum organized by Vietnam Investment Review. This award is a recognition of SHS' efforts in advisory activities on Equitization and Divestment. Typical clients are large SOEs from Ministry of Transport, Ministry of Industry and Trade, Vietnam national Coat – Mineral Industries Holding Corporation Ltd., Vietnam Rubber Group...

Supporting units activities: SHS continued to focus on improving and upgrading internal process, internal regulations, incentive & compensation mechanisms, internal training, and enhanced operating efficiency of risk management system and internal control.

Community activities: The Company focused particularly on community activities, environment protection and social activities. Employees has held many charity activities, donating money and clothes, material utensils to support trouble and poor in Central Children Hospital, National Institute of Hematology & Blood Transfusion, Hanoi Eye Hospital; ... support poor families in highland, mountainous province of Ha Giang, Lao Cai; participate in blood donation campaigns held by government agencies for blood diseases patients.

In consideration of all Company's activities above, it presents that: Operating indicators in 2015 were increased significantly compared to the previous year and operation quality exceeded the Board's targets.

REGARDING ACTIVITIES OF BOARD OF MANAGEMENT

The Board of Management's structure in 2015 has entered into a stable stage, including CEO and 02 Deputy CEO, concurrently taking other key positions in SHS such as member of Board of Directors, Chief of Board of Directors' office, Chief Accountant, Director of Ho Chi Minh Branch... The Board of Management has devoted enthusiasm and effect to ensure the Company's operation run smoothly and efficiently despite difficult context of Vietnamese macroeconomic and stock market in 2015.

The Board of Management regularly meets, assign tasks, cross-check, and support each others; frequently report to Board of Directors in order to have promptly instruction and support from them; regularly have meetings with Managers of all departments, Directors of branches to closely monitor operation of each department, each business segment; regularly organize in-depth meetings to discuss about the Company's business operation.

Human resources continued to be considered an essential matter for the sustainability development of the Company. In 2015, SHS' employees has been carefully selected, having high quality with good training in related fields. Managers have years of experience in securities trading, and risk management. The Company frequently organized professional training courses, updated new policies about macroeconomic and stock market, provided guidance on new changes in applicable laws to all employees.

The Executive Board continued to restructure the Company's investment portfolio and cut operating costs as well as seek funding sources for business operations, development of new products & services and exploitation of resources from investors and major shareholders.

In 2015, Board of Directors has guided and directed the Board of Management to diversify investment products by participating in bonds market through bond issuances, investment and underwriting. These activities have been implemented effectively and brought good results.

In searching and expanding SHS' market share, the Board of Management continued to show their strengths in seeking partners, clients; access and exploit effectively financial resources, networking relationships; diverse groups of clients and partners (including individuals and institutions).

Furthermore, the Board of Management has made serious commitment to risk management, capital support, investment advisory based on risk appetite of clients.

In the context of the Company's scale expansion, market's fluctuation, opportunities associated with challenges, the Board of Management has constantly focused on the construction and operation of risk management systems, internal control and internal audit; reviewed internal regulations to adjust to actual situation and in accordance with applicable laws and the Charter.

Thanks to the Board of Management's efforts and enthusiasm, SHS is recognized as one of the top securities companies, a high-quality brand in the financial, investment and stock markets fields.

PLAN AND DIRECTION OF BOARD OF DIRECTORS

Due to the facts that Vietnam has joined TPP, financial market gradually becomes more open, and foreign ownership limit in securities companies can reach up to 100% in September 2015, the competitiveness between securities companies has become fiercer. SHS has to compete not only with local securities companies but also with foreign securities companies. The business expansion is necessary, however, managing operation risks to maintain business efficiency is what Board of Directors and the Board of Management need to consider carefully.

The Company aims to maintain its position as one of the leading securities brokerage in Vietnam, among top 5 securities companies with the largest brokerage market in Vietnam (both on HNX and HOSE). In addition, the Company has to develop sustainable, safe & effective, increases its financial capacity, diverse brokerage products & services, financial services, investment advisory, corporate finance advisory, comply with risk management principles but still ensure flexibility in managing business operation. The Company also has to enhance its human capital, looking for new talent; at the same time be ready to face challenges, to seize and materialize opportunities in order to achieve positive business results.

In 2016, Board of Directors will continue to strengthen supervisory activities, support the Board of Management, focus on risk management and internal control to increase the Company's internal strength, seize every market opportunities, overcome the Company's current weaknesses and proactively response to market potential risks.



REPORT OF INTERNAL AUDITORS

ACTIVITIES OF INTERNAL AUDIT DEPARTMENT

Internal Audit Department was established under Decision No. 01-2014/QD-HDQT of the Chairman of Board of Directors dated 15 January 2014. Internal Audit Department is an advisory department, assisting Board of Directors on internal audit the Company's operations. Internal Audit is responsible for all internal audit activities in accordance with applicable laws and the Charter. Internal Audit Department has functions and duties as follows:

Internal audit department has issued internal guidelines such as:

- Regulations on organization and operation of Internal Audit Department;
- Internal Audit process;
- Financial statements internal audit program.
- Operation and compliance internal audit program.
- Annual internal audit plan.

In 2015, Internal Audit Department carried out 05 internal audit activities including compliance audits, performance audits and of financial audits at sub-units such as Securities Brokerage Center, Investment Department, Advisory and Underwriting Department, Financial Accounting Department and Financial Services Department. After the audits, Internal Audit Department:

- Notice timely to Board of Directors and give practical recommendations to prevent and solve the issues which can adversely affect the Company's operations.
- Propose solutions to fix errors; propose how to deal with violations; propose solutions to improve the safety and efficiency of the Company's operation; monitor the implementation of proposals, reports that have been presented to Board of Director.
- Advise Board of Directors, Board of Management and other departments on building or modifying, adding new operational processes, governance and management mechanisms, information systems, accounting and accounting treatment; and on how to perform these new processes with the condition that these activities do not interfere Supervisory Board's independence.

INTERNAL AUDIT PLAN FOR 2016

- Internal Audit Department continue to perform internal audit at units/departments/branches of the Company based on their risk assessment reports accordingly.
- Improve the working capacity and efficiency of each member in Internal Audit Department.
- Check and monitor SHS' compliance with regimes and policies of the State, regulations, and business processes, the Board of Management's guidelines. Make sure the inspection and control take place in logic, transparent and efficient way.
- Identify and evaluate the accuracy, completeness and reasonableness of information on financial statements and business reports of the Company. Review quarterly/semi-annual/annual financial statements of the Company and semi-annual/annual audited reports
- Monitor and evaluate the overcoming of internal audit opinions in the previous periods.
- Perform other tasks as required.

MEMBER OF SUPERVISORY BOARD



PHAM THI BICH HONG

CHAIRMAN OF SUPERVISORY BOARD

Date of appointment:

15/01/2008

Education:

Bachelor in Financial Accounting

Experience:

29 years of experiences in financial and accounting fields

Ownership:

21,740 shares (0.02%)

Present positions at other companies:

None



VU DUC TRUNG

MEMBER OF SUPERVISORY BOARD

Date of appointment:

06/04/2012

Education:

Master in Business Administration

Experience:

13 years of experiences in audit and securities fields

Ownership:

560,000 shares (0.56%)

Present positions at other companies:

Member of Board of Directors and Deputy Director of Saigon – Hanoi Insurance Corporation JSC.



LUONG THI LUU

MEMBER OF SUPERVISORY BOARD

Date of appointment:

27/04/2015

Education:

Master in Finance – Banking

Experience:

10 years of experience in accounting and finance fields

Ownership:

None (0%)

Present positions at other companies:

Supervisory Board's member of Handicraft and Art Articles Export – Import Corporation.

SUPERVISORY BOARD CHANGES IN 2015

Appointment: Luong Thi Luu as member of the Board on 27/04/2015

Dismissal: No

REPORTS OF SUPERVISORY BOARD

ACTIVITIES OF SUPERVISORY BOARD

MEETINGS OF SUPERVISORY BOARD

In 2015, Supervisory Board organized 4 meetings quarterly for periodic review and assigning tasks for the next quarter. Details are as followed:

First meeting (26/1/2015): regular meeting for Q1/2015 with participation of 2/2 members, discussed issues were:

- Assigned tasks to each member.
- Agreed on general mission and detailed missions for 2015.
- Reviewed business results of Q4/2014, and the Company's operation in 2014.
- Reviewed 2014 financial statements to submit to General Meeting of Shareholders.
- Made Supervisory Board's report to present at the 2014 AGM.

Result: Made supervisory plan and assigned supervisory tasks to each member based on the numbers of departments and operations of the Company. Collected and consolidated supervisory reports for 2014 to present at the AGM.

Second meeting (03/05/2015): Regular meeting for Q2/2015 with participation of 3/3 members, discussed issues were:

- Reassigned tasks to each member (as Ms. Luong Thi Luu was appointed to Supervisory Board for period 2012-2017 at the AGM on 28/4/2015).
- Evaluated Supervisory Board's activities in Q1/2015, and assigned tasks for Q2/2015.
- Selected independent external auditor for 2015 financial statements, semi-annual financial safety report, and submitted to Board of Directors for approval.

Result: Made supervisory plan and assigned supervisory tasks to each member based on the numbers of departments and operations of the Company. Agreed on Supervisory Board's report for Q1/2015. Agreed on the selection of external auditor for 2015 and presented to Board of Directors.

Third meeting (06/07/2015): Regular meeting for Q3/2015 with participation of 3/3 members, discussed issues were:

- Evaluated activities of Supervisory Board for the first 6 months of 2015 and assigned tasks for Q3/2015: review business operations and financial situation of the Company for the first 6 months.
- Attended preliminary meetings and meetings summarizing business operation of the Company for first 6 months.

Result: Agreed on supervisory report of the first 6 months. Attended the Company's preliminary meetings and provided opinions of Supervisory Board.

Fourth meeting (15/10/2015): Regular meeting for Q4/2015 with participation of 3/3 members, discussed issues were:

- Evaluated activities of Supervisory Board for the first 9 months of 2015 and assigned tasks for Q4/2015: review business operations and financial situation of the Company for the first 9 months by directly checking or review through internal audit reports and internal supervisory reports.
- Evaluated the implementation of Resolutions approved in AGM, and Resolutions of Board of Directors in 2015, assessed the percentage of completion of 2015 plan.

Result: Agreed on supervisory report for the first 9 months.

ACTIVITIES OF SUPERVISORY BOARD

Detailed duties of Supervisory Board are represented through the following activities:

Supervise the Company's compliance with the applicable laws, the Charter and the implementation of the AGM Resolutions.

In 2015, Supervisory Board monitored the Company's compliance with the applicable laws and the Charter to ensure SHS did not violate any the State's regulations during operation. The Supervisory Board also monitored closely the implementation of information disclosure obligations for listed companies, securities companies, information disclosure obligation of major shareholders, insiders and related personnel. In 2015, the Company did not have any violations in compliance with applicable laws and on the information disclosure obligation.

The Supervisory Board also closely checked the implementation of Resolution No.01-2015/NQ-DHDCD dated 27/04/2015 of the General Shareholders. The issues in this Resolution had fully implemented by Board of Management, and Board of Directors.

Supervise the activities of Board of Directors, Board of Management.

Supervisory Board attended most of regular meetings of Board of Directors and some meetings of Board of Management, monitored the Board of Directors' voting results for important issues of the Company, participated in the vote counting at the 2015 AGM and provided comments in line with its responsibility and duties.

Supervise the Company's operation through internal audit activities.

- Supervisory Board directly examined or reviewed Internal Audit reports, Internal Supervisory Department reports to evaluate risk management activities in business operation, checked the compliance with processes and regulations in most departments.
- After each inspection, Supervisory Board had a conclusion on the situation and provided their solutions. The inspections helped all departments review on operation process, then Supervisory Board proposed solutions to overcome existing problems, supported the Board of Management to minimize risks during operation.
- Supervisory Board's reports provided accurate and objective data and opinions, recommendations that were in best interest of shareholders, helped to improve the Company's business, encouraged all departments to provide accurate data, and to comply with applicable laws.

Propose to Board of Directors independent external auditor and review audited financial statements.

Annually, on the basis of careful consideration, Supervisory Board proposes to Board of Directors independent external auditor that is permitted to operate legally in Vietnam under the approval of State Securities Commission. AASCN is the good, experienced audit firm in according to the evaluation of Supervisory Board.

Supervisory Board evaluated and confirm on the consistency between data in 2015 financial statement and in audited financial statement provided by AASCN. Supervisory Board agreed that the audited financial statement by AASCN had given a true and fair consideration of all material aspects on the financial position of the Company as at 31/12/2015. Income statement, cash flow statement and changes in owners' equity for financial year ended at 31/12/2015, financial safety ratio report as at 31/12/2015 were in accordance with Vietnamese Accounting Standards, Accounting Regime applicable to securities companies.

Resolved shareholders' proposal to the Company.

In 2015, Supervisory Board did not receive any requests from shareholders or group of shareholders, who hold at least 5% and more, to check on the Company's business operation and the management of Board of Directors, Board of Management.

ASSESSMENT OF SUPERVISORY BOARD ON THE ACTIVITIES OF BOARD OF DIRECTORS AND BOARD OF MANAGEMENT

Board of Directors, Board of Directors and all the employees achieved an remarkable business results in 2015. In addition, the Company has been well-managed in terms of operational risks: no additional bad debts, compliance with the State's regulations on operation, financial accounting and information disclosure. Supervisory Board suggests the Company to keep up with the achievements in 2015, achieve business plan for 2016, and other goals that the AGM and Board of Directors set.

PLAN OF SUPERVISORY BOARD FOR 2016

- Monitor the compliance with applicable laws, the Charter and the implementation of Resolution of the General Meeting of Shareholders.
- Supervise activities of Board of Directors and Board of Management through attending meetings of Board of Directors and Board of Management and give recommendations in line with responsibilities and duties.
- Monitor the Company's activities throughout internal audit activities.
- Review and recommend Board of Directors to select independent external auditor and evaluate the audited financial statements.
- Review and resolve shareholder proposals (if any).



SUSTAINABILITY

REPORT

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SUSTAINABILITY REPORT

THE CONTENTS OF REPORT

This is the first year SHS makes sustainability report in accordance with standard in Sustainability report guideline of Global Reporting Initiative - GRI. SHS picks principle "Consistent - Core" for the contents of report in 2015, focusing on the following aspects: economy (including economic efficiency and management quality), responsibilities with the society and limited impact on environment.

THE SCOPE OF REPORT

This Sustainability report is a part of the Annual Report 2015 and a supplementary document to Annual Report. The report reflects this year's sustainable development results and informs the Company's objectives in the following years. The scope of report was carried out in the Company. The purpose is to provide information to all related parties on Vietnam stock market as well as to the local community.

CONTACT

For further information and comments, please contact:

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Department: PR&Marketing
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SUSTAINABLE DEVELOPMENT DIRECTION

MODEL FOR SUSTAINABLE DEVELOPMENT

To implement the sustainable development model, SHS constructs a consistent management model for sustainable development from high level to low level as follows:

Management level	Duties
Board of Directors	- Give strategic direction - Approve objectives and plan of actions
Board of Management	- Develop objectives, plan of actions for BOD to approve - Implement objectives, plan of actions approved by BOD
Divisions and Functions	Implement plan of actions as instructed by BOM

IDENTIFY RISKS AND OPPORTUNITIES OF SUSTAINABLE DEVELOPMENT

Through the consultant process, SHS identifies its risks of sustainable development as follows:

From within the Company

- SHS' growth is not sustainable yet (represented by inaccurate planning, resulting in unsustainable business growth). Brokerage activities are unsustainable neither (since mostly based on individual investors). Investment activities are mainly short-term, there are no long-term securities investments or direct investments in enterprises yet (subsidiaries, associated companies). M&A activities, financial restructuring advisory, though have earned some revenues, are not sustainable (implement deal by deal, no database support...). Financial service operation is primarily based on debt capital.
- Employees have low long-term commitments with the Company due to rate of wage increases is less than inflation rate.

- Inefficient corporate governance and risk management result in unsustainable business growth.
- There is not much experience on sustainable development.
- SHS has not developed either effective tools to measure sustainable development results or internal regulations, rules of penalties and rewards to encourage sustainable development.

From securities markets

- No dividend payment for many years makes shareholders and investors not interested in SHS' shares.
- Connections with partners and clients are not highly profound yet.
- There are high competitive pressures from other securities companies.

From society and local community

- Due to the large accumulated deficit in retained earnings in 2011 (eliminated in 2015), SHS has not contributed tax obligations to the State budget in last 4 years.
- Lack of strong support to the development of young generation.

While practicing sustainable development, SHS gradually recognizes risks associated with the development, and tries to mitigate these risks such as taking minor and insignificant risks, transferring risks to third parties by purchasing insurances, or avoiding risks by not implementing certain activities...

However, besides risks and challenges, sustainable development also brings opportunities:

- SHS is able to identify its development goals more clearly, and create its competitive advantage on the market.
- SHS has more opportunities to share its value & missions to related parties, thus increasing the prestige and image of the Company.
- ...

OBJECTIVES OF SUSTAINABLE DEVELOPMENT

SHS defines objectives and sustainable development direction as "Sustainable growth - Environmental protection – Contributions to society development - Together for community activities". SHS is committed to consistently pursue these objectives as its long-term sustainable development strategy. With these objectives in mind, SHS identifies action plans that would have positive impact on three main target groups:

- Positive impact on the Company.
- Positive impact on securities market.
- Positive impact on environment, society and community.

IDENTIFY RELATED PARTIES AND INTERESTS

A significant part of sustainable development according to SHS is to identify its related parties, and the impact on the related parties is an important content in order to achieve the objectives of sustainable development. To recognize related parties, SHS uses following methods:

- Direct interview.
- Online survey on the Company's website.
- Collect feedbacks from departments, emails, suggestion box, forum.

After discussion, SHS identifies its sustainable development model is to make a positive impact on its related parties which consists of three target groups such as: related group within the Company, related group on stock market and related group in social community.

RELATED PARTIES	OBJECTIVES	DESCRIPTION
Within the Company	Sustainable growth	In 2015, SHS successfully eliminated its accumulated deficits in retained earnings, and it strives for annual stable growth rate of 10 – 20% per annum.
	Income and benefits guarantee for employees	Employees' income and benefits are guaranteed over the years, even during the recession of Vietnam stock market or negative business performance.
	Risk management	Risk management system is improving in order to comply with current applicable laws and SSC regulations as well as ensure stable growth of SHS.
	Information transparency	SHS establishes report & information disclosure department for all its reports and public announcements careful reviewed before publishing. Reporting and information disclosure systems are set to market standards: objective, timely and transparent.
Stock market	Provide benefits to clients and partners	Clients and partners enter economic agreements with SHS on the basis of equality and mutual benefits for the partnership.
	Guarantee dividends for shareholders	In 2015, SHS successfully eliminated its accumulated deficits in retained earnings, and its objective is to have annual dividend payout ratio of 10% to shareholders.
	Contribute to market development	• Participate all consulting sessions for market participants on draft laws (amendment and supplementary) of the SSC, Stock Exchanges, and VSD. • A member of Vietnam bond association. • Organize, participate in seminars, conferences, online networking sessions, media press conferences which are related to securities therefore providing useful information for investors to make investment decisions.
Environment, society, and local community	Complete with tax responsibilities	Tax calculation, tax and fees payment such as CIT, VAT, PIT... are strictly complied by SHS. The Company still has a CIT surplus tax of VND12,188,448,530.
	Share with community	In 2015, SHS contributed VND 223 million cash to charity activities, along with many necessities items as well as other spiritually encouragements.
	Environmental protection.	SHS has implemented various policies to reduce wastes, reuse of materials, and contribute to decrease pollution impact on environment.

Through the consultation process, SHS also identifies important related parties, their interest levels and impact levels on SHS as follows:

STAKEHOLDERS	INTEREST LEVEL TO SHS	IMPACT LEVEL TO SHS
Employees	High	Average
Clients	High	High
Suppliers	High	Average
Shareholders	High	High
Investors	High	Low
The authorities	High	High
Local community and society	High	Low

Through the process, SHS recognizes concerns of the related parties. Appropriate actions as follows:

STAKEHOLDERS	PROPOSED ISSUES	IMPLEMENTED ACTIVITIES
Employees	- Salary and welfare benefits - Training and development policies	- Guarantee a stable salary and welfare benefits policy. - Create a fair environment for all staffs advancement, and encourage employees to participate in internal and external trainings.
Clients	Products & services quality	- Diversify the Company's products and services. - Improve the Company's quality and competitive advantages. - Improve the Company's process and procedures.
Suppliers	Payment credibility	Enhance liquidity risk management.
Shareholders	- Dividend - Stock price - Information transparency	- Strive to pay dividends annually after successfully eliminating accumulated deficits. - Improve business efficiency as well as information disclosure transparency. - Report and disclose fully, timely and transparently.
Investors	Stock price	Improve business efficiency as well as information disclosure transparency.
The authorities	- Compliance with applicable laws. - Contribution to State budget. - Contribution to market developments.	- Control risk management efficiently. - Prepare financial statements truthfully, fairly and complied with tax obligations. - Contribute comments efficiently.
Local community and society	- Sharing difficulty. - Environmental protection. - Development of young generation	- Organize charity activities. - Cost savings, reuse materials and apply environmental protection measures.

Also through the process of consultation and feedback, SHS believes sustainable development closely linked to the Company's operation and the procedure of offering products & services from first stage to last stage.

- **At products & services development stage:** SHS evaluates whether the launching of a new product or service will have negative impact on market, community and society before actually implementing it. If the negative impact is minor, SHS will try to minimize it.
- **At products & services implementation stage:** SHS compares real impact on related parties with the projected impact in the development stage. If there is new arising negative impact, SHS will find solutions or try to mitigate negative impact. Periodically evaluate whether to continue to offer products & services or terminate them or develop new products.
- **At termination stage:** Continue to evaluate negative impact, if any, on what remains after terminating products & services.

PROCESS OF INFORMATION MANAGEMENT FOR SUSTAINABLE DEVELOPMENT

To ensure information reliability, SHS has built an effective process to receive, assess, and present information. The process is performed by the Company's sustainable development group of people including board members, members of BOD, managers of the relevant departments such as accounting, legal, PR & marketing, ... From there, the collected information during the year will be compiled and categorized by group such as economic efficiency - governance quality - market impact - local community impact. At the end of the year, the information will be discussed, evaluated, and refined by sustainable development group of people before sustainability report is written and is accredited by the BOD's members and BOD. Any comments or questions regarding the report will be answered by representative of sustainable development group.

OVERVIEW OF SUSTAINABLE DEVELOPMENT IN 2015

ECONOMIC EFFICIENCY AND QUALITY OF MANAGEMENT

Economic efficiency

In 2015, there were many new policies issued for securities market, thereby taking away existing problems, creating more open environment for securities companies. Nevertheless, State Bank of Vietnam in the same year continued to tighten operational risks, strictly control capital flows. Given that, SHS still manages to overcome difficulties and achieves certain success.

In 2015, the Company successfully eliminated accumulated deficits incurred since 2011, marking the full recovery of its development process, creating new stage of sustainable development. SHS has achieved several encouraging results, reflecting its business efficiency model as follows:

Business performance: Revenue in 2015 increased by 30 percent compared to 2014

Brokerage market share: Up significantly from ranking 5th in 2014 to 3rd in 2015 on HNX and from within top 10 in 2014 to ranking 5th in 2015 on HSX.

Total assets: Increased by 6 percent compared to 2014.

Owners' equity: Increased by 13 percent compared to 2014.

Salary: Increased by 3 percent compared to 2014.

Health check-up for employees: Once a year with VND1 million budget for each employee.

Organize training courses for brokerage team: In 2015, 69 rounds of brokers participated in training for professional certification, securities practicing certificate and other related certificates in order to meet the law requirements and to improve the quality of brokers consulting.

Quality of management

Sustainable development actions in 2015 have improved SHS' quality of management as follows:

- **Enhanced liquidity capacity:**
 - **Financial leverage:** Financial safety ratio as at 31/12/2015 was 231.01 percent compared to 217.43 percent in 2014.
 - **Quick ratio and current ratio:** Increased by 191 percent compared to 139 percent in 2014.

- During the year, the Company has no liquidity risk.
- **Enhanced quality of management:** See details in “Implementation of regulations on corporate governance”
- **Enhanced risk control and risk management:** SHS’ supervisory structure was established in accordance with international practices and has operated efficiently to ensure inspection and control come in many layers such as: Board of Supervisory - Internal Audit Division – Internal Control Division– Risk Management Division- Anti-money Laundering Division to detect and solve most of its flaws and risks.

COMMITMENTS TO STAKEHOLDERS

Shareholders

SHS ensures all shareholders, whether individual investors or institutional investors, domestic or foreigner, internal or external, are treated fairly (See “Implementation of regulations on corporate governance”).

Clients

In 2015, SHS constantly upgraded trading software systems and improved products & services to meet higher expectations of customers. Trading software became more stable, supporting maximum for customer’s investment decision-making. Products & services were diversified, and become competitive in terms of scale, fees and procedures ...in accordance with the Company’s capacities.

Suppliers

To meet increasing capital need of customers, SHS has made cooperations with many commercial banks. With SHS’ recommendation, banks will provide fundings to SHS’ customers who are in need of capital for their investments on listed securities. Whichever method of guarantee is used, SHS always makes sure to provide bank partners a list of prestigious customers who would make repayments timely.

Employees

For SHS, employees are valuable resources and motivations of its operation and development. Therefore, investments in human resources are highly focused. Besides attractive salary remuneration policy, the Company has always created a solitary and competitive working environment for employees to fully develop their creativity, to feel energetic and to contribute greatly to the Company’s operating results.

Working environment

The Company applies labor regime in accordance to Labor Law and provisions of Vietnam laws. Collective bargaining agreements are agreed by employees and registered with Labor, War Invalids and Social Affairs Department. 100 percent of employees benefits from Collective bargaining agreements.

Working condition: Head office, branches and transaction offices are designed spacious and airy; fully equipped with personal desktops or laptops, and stationaries in order to create a sense of comfort, and convenience for employees. Human resource management software with many utilities is used.

Gender equality: SHS provides gender equality in working environment as well as fair development opportunities for female employees. The Management always encourages female employees to raise their voices and participate in manager positions of the Company. In addition, the Company also complies to provisions of Labor Law for female employees on working time, rest time during pregnancy, and maternity leave period.

Team work activities: The Company holds review activities twice a year to help managers and employees reflect on what they have achieved and try harder to fulfill target business plan. In addition, SHS annually organizes for managers and employees to go on vacation at least once a year for resting and having quality bonding time through team building activities. Sport activities such as soccer, yoga, etc... have been held regularly to help employees improve their health, thus working better. Welfare policy from the Company to employees includes all forms of support for employees to be ready physically and mentally at work.

Salary and remuneration policy

Salary and bonus regime is set to be fairly, transparent, and encouraging employees to have long-term commitment to the Company. It is established to be an incentive basis for employees to improve their work quality and responsibilities.

Income at SHS is the monthly net income since the Company has paid trade union fee, social insurance, health insurance, unemployment insurance, and personal income tax for employees. Monthly income = basic salary + sale commission.

Quarterly (or semi-annually) and annually, the Company organizes voting and rewards for outstanding staffs who have positive contributions to the Company's operation in order to timely motivate and encourage employees through 02 competitive programs which are "Excellent Personnel Staff" program for all employees, and "Star of the Month" program for brokerage employees.

Allowances policy

In addition to salary and bonuses, employees at SHS are entitled to allowances based on the nature of their work, position, work performance and business performance of the Company (for examples: mobile allowance, fuel allowance, per diem allowance, birthday allowance, International Women's day allowance, allowances to managers and employees who have participated in the military ...).

Health care for employees has always been taken care of with annual health check-up once a year with VND 1 million/person.

The Company provides work uniforms every 02 year to managers and employees, except for divisions and departments which work closely with partners and clients, new work uniforms are given every year.

SHS cares about not only its employees but also their relatives and families. Every year, the Company rewards employees' children who have good academic performance; gives them presents on Children's Day, Mid-Autumn Day; and supports employees who have family members being sick, or who have marriage, or funeral leave.

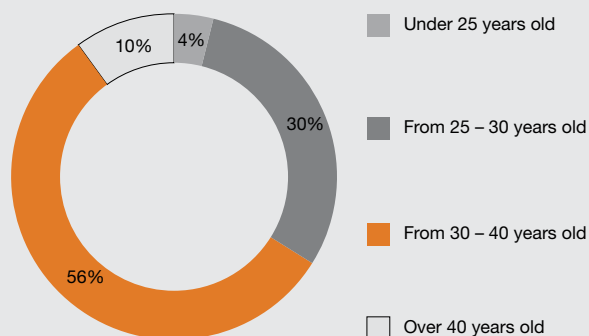
Nurturing human capital policy

With good level of income and good working environment, together with many other good welfare policies, SHS has attracted a large, highly qualified workforce. New staffs are trained, guided about techniques and informed about the Company's culture from the first day.

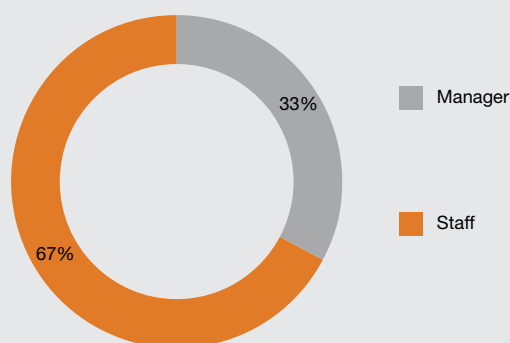
Recruitment and training process of SHS have been built scientifically and flexibly. In addition to recruitment advertising on media press and the Company's website, SHS gets its candidate pool from education & training centers, prestigious universities and professional head hunters providers. Therefore SHS has many opportunities to reach and attract highly qualified, experienced staffs who are best fit to its business development strategy. The Company absolutely do not use child labor and forced labor.

SHS pays special attention to employee's training. Besides encouraging employees to participate in professional training courses at Securities training center under the SSC and other professional training centers, SHS also trains its employees for advanced skills such as communication skill, interpersonal skill, customer service skill, presentation skill, analytical skills Internal training or cross training between divisions are encouraged by Board of Management to not only improve overall employees' techniques but also create the understanding and cooperation between divisions. The training is designed to make sure that the Company has backup employees waiting in the wings. When an employee quits, the Company often has a backup plan already in place.

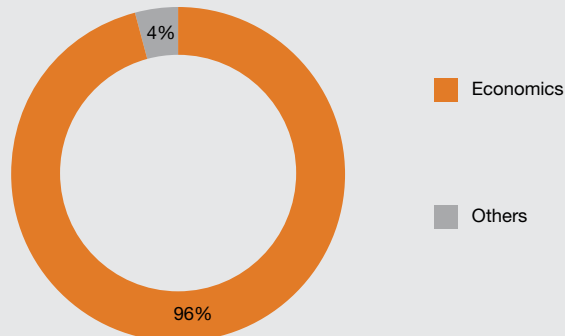
Workforce by age



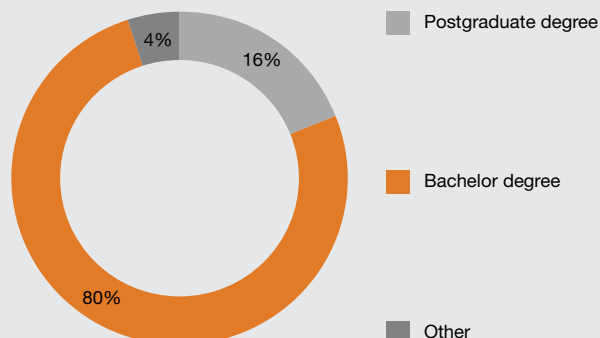
Workforce by corporate level



Workforce by subject studied



Workforce by education level



RESPONSIBILITY TO GREEN CAPITAL MARKET

Following the national strategy of green growth for the period 2011 – 2020 and government's vision until 2050, and action plan of finance sector to execute the nation strategy of green growth until 2020 of Ministry of Finance, SHS has researched and developed the restructuring process and complete the organization structure toward employing resources efficiently, increased its investments in new technology in order to strengthen its competitive advantages, take part in respond to climate change, poverty reduction and ensure sustainable growth. The contents focus on:

- Reduce greenhouse gas emissions and promote green energy and recyclable energy.
- Greenify manufacturing and business.
- Greenify lifestyle, promote sustainable consumption.

Therefore, beside policies to reduce general and administrative expenses (materials, utilities, etc..) in order to minimize environmental damages. SHS also invests on information system, especially stock trading system. A number of customers who use online trading is increasing, with the growth of 7-8% per year. Hence, the cost of papers and ink for order papers has lessened over the years. In addition, periodically, Legal Department and customer related departments perform checkup on forms, agreements, contracts and find solutions to minimize the number of pages in these documents to lessen the cost as well as storage space. Agreements, contracts, internal policies previously made in many copies and stored in many different departments (such as admin and accountant divisions...) are now made in a minimal number of copies, only stored in a certain departments, related departments will receive a scanned copy. Moreover, SHS also participates in portals of General Department of Taxation, State Securities Commission of Vietnam, Hanoi Stock Exchange, Vietnam Securities Depository, and soon Vietnam Social Security thus reporting, information disclosure, stock depository are immaterialized, not only to simplify procedures but also to reduce paper wastes, ink...

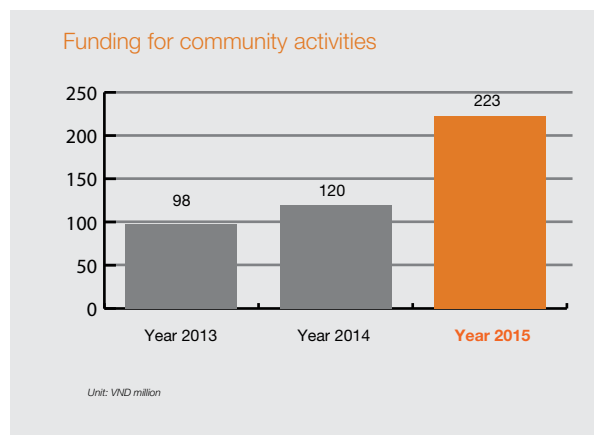
In 2015, SHS invested VND550 billion in listed Government bonds in order to support Government's targets, programs, green projects. SHS is also a member of Vietnam Bond Market Association. In addition, SHS keeps a certain portion of its investment in green stocks (stocks with strong fundamental, investing towards green projects, manufacturing energy-saving products, eco-friendly products or applying eco-friendly technological solutions as FPT, REE, DQC, GTN ...) with total value of VND466 billion.

SHS prioritizes to provide brokerage services, investment consulting, financial advisory and underwriting services with the role of brokers, consultants to raise capital for green capital markets. For example: SHS has consulted, brokered and underwritten for clients to invest in green businesses such as FPT, REE, DQC, GTN, Vietnam Paper Corporation, Dong Bac Forestry Single Member Ltd Co, HABAC Nitrogenous Fertilizer & Chemicals Company Limited, Sonha International Corporation.

Additionally, the Company also grants loans for margin lending, introduces investors to banks for credit limits to invest into green stocks, and collaborates with others to develop new products & services to support enterprises to implement green growth.

COMMUNITY ACTIVITIES

SHS' responsibility to local community increases over the years as follows:



In 2015, SHS expresses its responsibility to community through sponsorship programs such as:

No.	Items	Launched by	Funding amount (VND)
1	Building gratitude house for Vietnamese heroic mothers	Trade union Ministry of Finance	30,000,000
2	Come back to Truong Sa	Hanoi Stock Exchange	100,000,000
3	Sponsor Football League HASMEA	Hanoi Association of Small and Medium Enterprises	30,000,000
4	Sponsor Football League Vietnam Securities Depository	Vietnam Securities Depository	30,000,000
5	Sponsor free meals to patients at the Central Children Hospital	Hanoi Association of Small and Medium Enterprises	3,000,000
6	Sponsor celebrating 20 years of Association of Small and Medium Enterprises	Hanoi Association of Small and Medium Enterprises	30,000,000
Total			223,000,000

Moreover, in the program "Come back to Truong Sa 2015" held by Hanoi Stock Exchange, as one of the three most active members participating in the program, SHS and its team visit Truong Sa island; provide necessities for soldiers who work on the island, food, clothes, medicine and school supplies for teachers and pupils on the island besides cash funding to infrastructure constructions on the island.

The Company also provides responsibility to local community by contributing funding for the poor, and for education promotion... which are launched by ward, district, city committee. During the year, employees of the Company have held many charity activities, donating money and clothes, material utensils to support poor children in Central Children Hospital, National Institute of Hematology & Blood Transfusion, Hanoi Eye Hospital; Hanoi Hear Hospital, Viet Duc Hospital... support poor families in highland, mountainous province of Ha Giang, Lao Cai; participate in blood donation campaigns held by government agencies and partners via charity fund "SHS - Sharing love". The Company also places a donation box at the most visible place in the office for employees to share with the less fortunate.

RESPONSIBILITY TO ENVIRONMENT

Resource management

SHS is a securities company thus its main raw materials for business operation are papers, inks and stationeries but with limited amount as following:

Items	Expenses in 2015 (million VND)	How to manage
Papers	100-120	- One-sided printed paper is reused for draft. - Collect and treat wastes as stipulated by the office building.
Inks	160	Refill inks to use.
Stationeries	180	- Register for the annual usage. - Request monthly stationeries. - Categorize stationery (such as one-time grant, monthly grant, upon request grant). - Monitor and compare monthly and yearly usage. - Request for explanations if incurred more than 10 percent.
Flyers, company profile brochure	93	- Allocate upon registration. - Keep track of import/export/in stock quantity. - Set minimum, maximum inventory levels.

Energy consumption

The Company uses electricity for business operation at about 150,000 kw per year mainly for lighting, maintaining main servers operation, desktops, air conditioning ... equipped with energy-saving bulbs, air conditioners that meet regulations of greenhouse gas emissions and are replaced in according to standard shell life. SHS' energy consumption does not have significant adverse impacts on environment and society.

The Company implements cost-saving on oils and gas. In order to use the Company's car, managers and employees have to request beforehand. Administrative Department will arrange car schedule with maximum utilization in order to save on gasoline. In the absence of arrangements, the Company encourages employees to use personal vehicles or taxi. For employees who often have business trips within the city, SHS provides monthly fuel allowance in accordance with frequency of business trip.

Water consumption

The Company uses water for household use, and service costs are included in office rental. Water waste is collected to a centralized place to process as stipulated by the building before being poured out. Cost of employees' drinking water on average is about VND 85 million per year. Administrative Department is responsible for regularly remind employees about reducing water usage. SHS' water consumption does not have significant adverse impacts on environment and society.

Compliance with laws on environmental protection

In order to comply with the provisions of law on environmental protection, the Company has implemented various measures as follows:

- Propagate, educate, and encourage employees to keep their surrounding workplace clean and tidy (organize document records, dump trash in right place, smoke in permitted areas...), keep environment clean, and protect natural landscapes (places the Company holds team building activities), and engage in environmental protection locally.
- Arrange office place toward a green working environment (have green plants in office, use power saver devices, meet regulations of greenhouse gas emissions...)
- Use existing resources economically, increase recycling and using recyclable materials: See details in resources management
- Issue internal regulations in order to comply with provisions of law on environmental protection (such as regulations on use of electrical appliances and save energy, fuel allowances, and smoking in office...)

In 2015, the Company does not violate any legal provisions of law on environmental protection.

ACTION PLAN FOR 2016

While evaluating sustainable development performance in 2015 and comparing it with the objectives and action directions, SHS sets out an action plan for 2016 as follows:

- Improve operation efficiency and financial safety ratios, enhance risk management to ensure dividend payment of at least 10% to shareholders as well as increase salary and welfare for employees to competitive level with top 5 securities companies on the market.
- Improve operation efficiency while report and disclose information fully, clearly and timely to raise SHS' prestige. Thus the Company's stock prices will rise to meet the requirements and expectations of stakeholders.
- Actively support development of youth programs by creating more internship opportunities for students and organizing career talks in universities which have securities faculties.
- Enhance anti-money laundering activities as stipulated by Vietnam laws and guidance of the SSC to develop a healthy stock market since stock market is where most money laundering activities usually take place.
- Respond to environmental protection plan including, but not limited to, planting tree, sanitation, using eco-friendly equipments, and investing in green businesses.

DECLARATION ON COMPLIANCE WITH GRI4 CRITERIA

GRI	Description	Reference	Note
1. STRATEGY & ANALYSIS			
G4-1	Declaration of the leaders of the Enterprise	Annual Report- Message.	
G4-2	Describe key impacts, risks and opportunities	Sustainability Report-Business Performance. Annual Report- Risk Management.	
2. COMPANY PROFILE			
G4-3	Name of the organization	Annual Report-Company Overview	
G4-4	Products & Services	Annual Report-Company Overview	
G4-5	Organization's headquarters	Annual Report-Company Overview	
G4-6	The number of countries where the organization operates	Annual Report-Company Overview	SHS is now operating in Ho Chi Minh City, Hanoi, Da Nang, Vietnam
G4-7	Type of ownership and legal form	Annual Report-Company Overview	
G4-8	Markets served	Annual Report-Company Overview	
G4-9	Organization scale	Annual Report-Company Overview	
G4-10	Organization's work force statistics	Sustainability Report-Business Performance. Annual Report-Operation in 2015.	
G4-11	Percentage of total employees covered by collective bargaining agreements.	Sustainability Report-Business Performance	100%
G4-12	Organization's supply chain	Annual Report-Company Overview	
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	Annual Report-Company Overview	There is no change
G4-14	Report whether the precautionary approach or principle is addressed by the organization	Annual Report- Risk Management	
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives which the organization endorsed.	Sustainability Report-Sustainability Governance Structure	
G4-16	Memberships of associations	Sustainability Report-Business Performance	Vietnam Bond Market Association ("VBMA")
3. IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	List all entities included in the organization's consolidated financial statements or equivalent documents	Annual Report-Audited Financial Statements	
G4-18	List all entities included in the organization's consolidated financial statements or equivalent documents	Sustainability Report-Reporting Process Of Sustainable Development	
G4-19	List all the material aspects identified in the process for defining report content	Sustainability Report-Reporting Process Of Sustainable Development	
G4-20	For each material aspect, report the Aspect Boundary within the organization	Sustainability Report-Reporting Process Of Sustainable Development	
G4-21	For each material aspect, report the Aspect Boundary Outside the organization	Sustainability Report-Reporting Process Of Sustainable Development	

G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements		There are no re-statements
G4-23	Significant changes from previous reporting periods		This is the first year SHS has prepared the report
4. STAKEHOLDER ENGAGEMENT			
G4-24	A list of stakeholder groups engaged by the organization	Sustainability Report-Reporting Process of Sustainable Development	
G4-25	The basis for identification and selection of stakeholders with whom to engage	Sustainability Report-Reporting Process of Sustainable Development	
G4-26	The organization’s approach to stakeholder engagement	Sustainability Report-Reporting Process of Sustainable Development	
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns (including through its reporting)	Sustainability Report-Reporting Process of Sustainable Development	
5. REPORT PROFILE			
G4-28	Reporting period	Sustainability Report-Reporting Process of Sustainable Development	Year 2015
G4-29	Recent previous reporting period		This is the first year SHS has prepared thereport
G4-30	Report cycle	Sustainability Report-Reporting Process of Sustainable Development	Every year
G4-31	Contact point (if any)		SHS
6. GRI CONTENT INDEX			
G4-32	The reporting option the organization has chosen	Sustainability Report-Reporting Process of Sustainable Development	
G4-33	The contact point for questions regarding the report or its contents	Sustainability Report-Reporting Process of Sustainable Development	
G4-34	Governance structure of the organization, including committees of the highest governance body	Sustainability Report-Reporting Process of Sustainable Development	
7. ETHICS AND INTEGRITY			
G4-56	Values, principles, standards and norms of organizational behavior	Annual Report- Company Overview	
8. SPECIFIC CONTENTS			
8.1. Economic impact			
G4-EC1	Direct economic value generated and distributed	Sustainability Report-Overview of Sustainable Development In 2015	
8.2. Social impact			
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region	Sustainability Report-Overview of Sustainable Development In 2015 Annual Report- Operation In 2015	
G4-LA10	Programs for skills management	Sustainability Report-Overview of Sustainable Development In 2015	
G4-SO1	Percentage of operations with implemented local community engagement	Sustainability Report-Overview of Sustainable Development In 2015	
G4-SO8	Penalties	Sustainability Report-Overview of Sustainable Development In 2015	
G4-PR3	Type of product and service information	Annual Report – Company Overview	

FINANCIAL STATEMENTS

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94	Off-balance Sheet Items		
95	Income Statement		

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Saigon – Hanoi Securities Joint Stock Company (here after “the Company”) presents this report together with its financial statements for the year ended 31 December 2015 audited by independent auditors.

OVERVIEW OF THE COMPANY

Saigon – Hanoi Securities Joint Stock Company was established and operated according to Operation License No. 66/UBCK-GP dated 15 November 2007 and the latest subsequent amended licenses No. 32/GPDC-UBCK dated 01 December 2014 by State of Securities Committee.

The Company's charter capital is **VND 1,000,000,000,000** (One thousand billion VND).

The principle activities of the Company for the year ended 31 December 2015 include:

- Securities brokerage;
- Proprietary trading;
- Securities underwriting;
- Securities investment advisory;
- Depository services;
- Financial advisory and other financial services;
- Other activities in accordance with legal regulations.

Head office: Floor 3th, Trade-union Conference Center Building, 01 Yet Kieu, Hoan Kiem District, Hanoi.

The Company's branches are:

Branches	Address
Ho Chi Minh Branch	Floor 3th, Artex Saigon Building, 236-238 Nguyen Cong Tru, Nguyen Thai Binh Ward, District 1, HCMC.
Da Nang Branch	97 Le Loi, Thach Thang Ward, Hai Chau District, Da Nang City.

FINANCIAL POSITION AND RESULTS OF OPERATIONS

The financial position as at 31 December 2015 and the results of operations for the financial year ended at the same date are presented in the accompanying financial statements (from page 06 to page 41).

EVENT AFTER THE BALANCE SHEET DATE

Board of Management confirms that there has been no matters or circumstances arising since the balance sheet date that they are required to be disclosed in the financial statements.

BOARD OF DIRECTORS

Members of Board of Directors for the year include:

Mr. Do Quang Hien	Chairman	
Mr. Vu Duc Tien	Member	
Mr. Le Dang Khoa	Member	
Mr. Mai Xuan Son	Member	
Mr. Nguyen Thanh Quang	Member	Appointed on 09 April 2015

BOARD OF MANAGEMENT AND CHIEF ACCOUNTANT

Members of Board of Management and Chief Accountant for the year include:

Mr. Vu Duc Tien	CEO
Mr. Tran Sy Tien	Deputy CEO cum Chief Accountant
Mr. Nguyen Chi Thanh	Deputy CEO cum Director of Ho Chi Minh Branch

AUDITOR

The Hanoi Branch of Nam Viet Auditing and Accounting Financial Consulting Services Company Limited (AASCN) has audited the financial statements for the year ended 31 December 2015.

BOARD OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

Board of Management is responsible for the financial statements which give a true and fair view of the state of affairs of the Company, of the results of its operations, the cash flows and the changes in owners' equity for the year. In preparing those financial statements, Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare and present the financial statements in accordance with accounting standards, accounting regime and relevant prevailing regulations;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Board of Management is responsible for ensuring that accounting records are kept to disclose the Company's financial position with reasonable accuracy at any time and that the financial statements comply with prevailing legal regulations. Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

Board of Management hereby states that the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2015, the results of its operations, its cash flows and changes in equity for the year ended at 31 December 2015 in accordance with Vietnamese Accounting Standards, Accounting Regime applicable to securities companies issued by the Ministry of Finance in accordance with Circular No.95/2008/TT-BTC dated 24 October 2008, Circular No.162/2010/TT-BTC dated 20 October 2010 and legal regulations relating to financial reporting.

Hanoi, 23 March 2016
**For and on behalf of
the Board of Management
Chief Executive Officer**



Vu Duc Tien

No :/2016/BCKT-AASCN

INDEPENDENT AUDITORS' REPORT

To: Board of Directors and Management Saigon – Hanoi Securities Joint Stock Company

We have audited financial statements for the year ended 31 December 2015 of Saigon – Hanoi Securities Joint Stock Company prepared on 23 April 2016 which include balance sheet as at 31 December 2015, the income statement, cash flow statement, statement of changes in owners' equity and note to financial statements for the year ended as set out from page 06 to page 41.

Board of Management's responsibility

The Board of Management of the Company is responsible for preparation of the financial statements, which give a true and fair view, in accordance with Vietnamese Accounting Standards, Accounting Regime and legal regulations relating to preparation of the financial statements and for such internal control as the Board of Management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud and errors.

Auditors' responsibility

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

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

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

Auditors' opinion

In our opinion, the financial statements give a true and fair view of, in all material respects, the financial position of the Company as at 31 December 2015 and the results of its operations, its cash flows and changes in owners' equity for the year then ended in accordance with Vietnamese accounting standards, accounting regime applicable to securities companies issued by the Ministry of Finance in accordance with Circular No. 95/2008/TT-BTC dated 24 October 2008 guiding the accounting applicable to securities companies, Circular No. 162/2010/TT-BTC dated 20 October 2010 and legal regulations relating to financial reporting.

Hanoi, 23 April 2016

**The Hanoi Branch of Nam Viet Auditing and Accounting
Financial Consulting Services Company Limited (AASCN)**

Deputy Director



Bui Ngoc Vuong

No: 0941-2013-152-1

Auditor

Bui Ngoc Ha

No: 0662-2013-152-1

BALANCE SHEET

As at 31 December 2015

Currency: VND

No.	ASSETS	Code	Note	Ending balance	Beginning balance
A.	CURRENT ASSETS	100		3.345.263.464.947	3.147.070.854.128
I.	Cash and cash equivalents	110	V.01	825.019.877.016	1.603.562.789.371
1.	Cash in hand	111		750.019.877.016	1.338.912.789.371
2.	Cash equivalents	112		75.000.000.000	264.650.000.000
II.	Short- term financial investments	120		1.151.134.125.896	687.664.436.198
1.	Short-term investments	121	V.02.2	1.239.465.849.016	749.602.568.345
2.	Provision for short-term financial investments (*)	129		(88.331.723.120)	(61.938.132.147)
III.	Short-term receivables	130	V.03	1.353.792.717.675	834.204.969.932
1.	Receivables from customers	131		5.759.914.000	2.572.000.000
2.	Advances to suppliers	132		85.305.745.000	85.403.665.899
3.	Short-term internal receivables	133		-	-
4.	Receivables from securities trading activities	135		17.293.462.574	17.229.606.683
5.	Other receivables	138		1.521.013.919.202	985.154.647.023
6.	Provision for doubtful short-term receivables (*)	139		(275.580.323.101)	(256.154.949.673)
IV.	Inventories	140		145.913.733	120.312.890
1.	Inventories	141	V.04	145.913.733	120.312.890
2.	Provision for decreasing value of inventories (*)	149		-	-
V.	Other current assets	150		15.170.830.627	21.518.345.737
1.	Prepaid expenses	151		-	420.733.760
2.	VAT deductibles	152		-	-
3.	Tax and statutory obligations	154		12.188.448.530	12.188.448.530
4.	Government Bond trading	157		-	-
5.	Other current assets	158		2.982.382.097	8.909.163.447

BALANCE SHEET

As at 31 December 2015

(continued)

Currency: VND

No.	ASSETS	Code	Note	Ending balance	Beginning balance
B.	NON-CURRENT ASSETS	200		15.208.128.110	25.898.779.815
I.	Long-term receivables	210		-	-
1.	Long-term receivables from customers	211		-	-
2.	Working capital of direct sub-units	212		-	-
3.	Long-term internal receivables	213		-	-
4.	Other long-term receivables	218		-	-
5.	Provision for doubtful long-term receivables	219		-	-
II.	Fixed assets	220		2.298.915.976	5.342.374.125
1.	Tangible fixed assets	221	V.05	1.363.156.532	2.472.592.250
	- Cost	222		14.991.359.209	15.289.911.509
	- Accumulated depreciation (*)	223		(13.628.202.677)	(12.817.319.259)
2.	Finance leased fixed assets	224		-	-
	- Cost	225		-	-
	- Accumulated depreciation (*)	226		-	-
3.	Intangible fixed assets	227	V.06	935.759.444	2.869.781.875
	- Cost	228		20.675.056.987	20.180.442.990
	- Accumulated amortization (*)	229		(19.739.297.543)	(17.310.661.115)
4.	Construction in progress	230		-	-
III.	Investment real estate	240		-	-
1.	Cost	241		-	-
2.	Accumulated depreciation(*)	242		-	-
IV.	Long-term financial investments	250	V.02.2	-	10.692.000.000
1.	Long-term securities investments	253		-	10.692.000.000
	- Available-for-sales securities	254		-	10.692.000.000
	- Held-to-maturity securities	255		-	-
2.	Other long-term investments	258		-	-
3.	Provision for long-term financial investments (*)	259		-	-
V.	Other long-term fixed assets	260		12.909.212.134	9.864.405.690
1.	Long-term prepaid expenses	261	V.07	2.887.338.326	2.455.526.266
2.	Deferred income tax assets	262		-	-
3.	Payment for settlement assistance fund	263	V.08	8.199.340.273	5.699.340.273
4.	Other long-term assets	268		1.822.533.535	1.709.539.151
	TOTAL ASSETS	270		3.360.471.593.057	3.172.969.633.943

BALANCE SHEET

As at 31 December 2015

(continued)

Currency: VND

No.	RESOURCES	Code	Note	Ending balance	Beginning balance
A.	LIABILITIES	300		2.332.575.349.293	2.265.171.469.441
I.	Current liabilities	310		1.752.550.349.293	2.265.146.469.441
1.	Short-term borrowings	311	V.09	517.000.000.000	465.000.000.000
2.	Payables to suppliers	312		14.025.690	113.329.950
3.	Advances from customers	313		851.000.000	794.000.000
4.	Tax and statutory obligations	314	V.10	5.895.495.290	7.448.007.865
5.	Payables to employees	315		1.732.139.896	1.941.352.330
6.	Accrued expenses	316	V.11	19.209.289.024	8.165.362.539
8.	Other short-term payables	319	V.12	1.198.688.975.777	1.491.710.608.788
9.	Payables on securities trading activities	320	V.13	8.924.818.000	289.674.183.603
10.	Dividend and interest payables	321		95.437.250	52.456.000
12.	Bonus and welfare fund	323		139.168.366	247.168.366
14.	Unearned revenue	328		-	-
II.	Non-current liabilities	330		580.025.000.000	25.000.000
6.	Other long-term liabilities	333		25.000.000	25.000.000
7.	Long-term borrowings	334	V.14	580.000.000.000	-
B.	OWNERS' EQUITY	400		1.027.896.243.764	907.798.164.502
I.	Owners' equity	410		1.027.896.243.764	907.798.164.502
1.	Charter capital	411		1.000.000.000.000	1.000.000.000.000
2.	Share premium	412		310.000.000	108.234.052.000
3.	Other capital	413		7.420.555.826	7.420.555.826
4.	Treasury shares (*)	414		-	(1.550.000.000)
8.	Financial reserves fund	418		7.420.555.826	7.420.555.826
10.	Undistributed earnings	420		12.745.132.112	(213.726.999.150)
II.	Other funds	430		-	-
TOTAL LIABILITIES AND OWNER'S EQUITY		440		3.360.471.593.057	3.172.969.633.943

OFF-BALANCE SHEET ITEMS

Currency: VND

No.	ITEMS	Code	Ending balance	Beginning balance
2.	Pledged materials and valuable papers	002	1.500.000.000	1.932.000.000
3.	Security assets	003	15.936.660.000	15.936.660.000
6.	Custody securities	006	10.092.036.890.000	7.006.337.100.000
	In which:			
6.1.	Tradable securities	007	6.887.813.900.000	4.469.999.320.000
6.1.1.	Tradable securities of custody members	008	324.996.740.000	67.876.980.000
6.1.2.	Tradable securities of local investors	009	6.558.261.940.000	4.399.065.840.000
6.1.3.	Tradable securities of foreign investors	010	4.555.220.000	3.056.500.000
6.2.	Temporarily untradeable securities	012	497.892.740.000	251.003.840.000
6.2.2.	Temporarily untradeable securities of local investors	014	497.892.740.000	251.003.840.000
6.3.	Mortgaged securities	017	1.854.039.190.000	1.682.199.800.000
6.3.1.	Mortgaged securities of custody members	018	197.300.000.000	286.000.000.000
6.3.2.	Mortgaged securities of local investors	019	1.656.739.190.000	1.396.199.800.000
6.5.	Securities awaiting settlement	027	289.433.680.000	323.259.190.000
6.5.1.	Securities awaiting settlement of custody members	028	1.984.000.000	1.070.000.000
6.5.2.	Securities awaiting settlement of local investors	029	287.449.680.000	322.189.190.000
6.7.	Securities awaiting for trading	037	562.857.380.000	279.874.950.000
6.7.2.	Securities awaiting trading of local investors	039	562.857.380.000	279.874.950.000
7.	Custody securities of unlisted public company	050	1.245.418.940.000	1.091.302.650.000
	In which:			
7.1.	Tradable securities	051	422.283.940.000	265.799.650.000
7.1.1.	Tradable securities of custody members	052	1.500.600.000	4.803.290.000
7.1.2.	Tradable securities of local investors	053	420.783.340.000	260.996.360.000
7.2.	Temporarily untradeable securities	056	135.000.000	197.000.000
7.2.2.	Temporarily untradeable securities of local investors	058	135.000.000	197.000.000
7.3.	Collateral securities	061	823.000.000.000	823.000.000.000
7.3.2.	Collateral securities of local investors	063	823.000.000.000	823.000.000.000
7.5.	Securities awaiting settlement	071	-	2.306.000.000
7.5.2.	Securities awaiting settlement of local investors	073	-	2.306.000.000
9.	Securities not in custody of securities corporations	083	88.400.000.000	147.450.000.000

Prepared by



Ngo Thi Truc Mai

Chief Accountant



Tran Sy Tien

Hanoi, March 23rd 2016

Chief Executive Officer



Vu Duc Tien

INCOME STATEMENT

Year 2015

Currency: VND

STT	ITEMS	Code	Note	This year	This year
1.	Revenue	01		518.759.060.219	399.777.392.244
	In which:				
•	Revenue from brokerage services	01.1		115.222.442.972	95.025.164.069
•	Revenue from securities investments and capital contribution	01.2		181.874.539.027	168.444.202.406
•	Revenue from securities underwriting	01.3		4.810.000.000	-
•	Revenue from securities issuance agency services	01.4		540.000.000	188.181.818
•	Revenue from advisory services	01.5		55.243.525.641	52.996.009.821
•	Revenue from securities custody services	01.6		7.101.039.741	4.057.798.212
•	Revenue from entrusted auction activities	01.7		1.066.240.029	36.225.165
•	Revenue from property lease	01.8		-	-
•	Other revenue	01.9		152.901.272.809	79.029.810.753
2.	Deductions	02		-	-
3.	Net revenue	10		518.759.060.219	399.777.392.244
4.	Operating expenses	11		349.041.209.740	202.796.319.925
5.	Gross profit from operating activities	20		169.717.850.479	196.981.072.319
6.	General and administrative expenses	25		51.254.206.043	74.949.775.339
7.	Net profit from operating activities	30		118.463.644.436	122.031.296.980
8.	Other income	31		75.414.637	69.075.361
9.	Other expenses	32		300.979.811	6.290.456
10.	Other profit (40=31-32)	40		(225.565.174)	62.784.905
11.	Profit before tax (50=30+40)	50		118.238.079.262	122.094.081.885
12.	Current corporate income tax expense	51	VI.01	-	-
13.	Deferred corporate income tax income	52		-	-
14.	Profit after tax (60=50-51-52)	60		118.238.079.262	122.094.081.885
15.	Basic earnings per share	70	VI.02	1.183	1.223

Prepared by

Ngo Thi Truc Mai

Chief Accountant

Tran Sy Tien

Hanoi, March 23rd 2016

Chief Executive Officer



Vu Duc Tien

CASHFLOW STATEMENT

(Indirect method)

Year 2015

No.	ITEMS	Code	Note	This year	This year
I.	Cash flow from operating activities				
1.	Profit before tax	01		118.238.079.262	122.094.081.885
2.	Adjustments for				
	• Depreciation of fixed assets	02		3.717.085.283	3.947.824.570
	• Provisions	03		45.818.964.401	1.591.281.802
	• Unrealized foreign exchange gain/(loss)	04		-	-
	• Profits from investing activities	05		(181.622.657.742)	(112.357.848.601)
	• Interest expenses	06		69.854.247.042	38.149.452.093
3.	Operating income before changes in working capital	08		56.005.718.246	53.424.791.749
	• (Increase)/ decrease in receivables	09		(530.982.170.954)	(186.208.610.540)
	• (Increase)/ decrease in trading securities	10		(479.196.881.514)	(410.055.845.341)
	• Increase/ (decrease) in payables (excluding interest payables, corporate income tax payable)	11		(578.247.397.681)	992.687.941.284
	• (Increase)/ decrease in prepaid expenses	12		(11.078.300)	(330.458.683)
	• Interest paid	13		(56.090.038.709)	(37.483.896.537)
	• Corporate income tax paid	14		-	-
	• Other proceeds from operating activities	15		10.244.400.000	61.388.500
	• Other payments for operating activities	16		(10.415.394.384)	(362.528.552)
	Net cash flows from investing activities	20		(1.588.692.843.296)	411.732.781.880
II.	Cash flow from investing activities				
	• Purchases of fixed assets	21		(686.744.897)	(3.169.961.177)
	• Proceeds from fix assets disposal	22		12.295.455	-
	• Loan to other entities and payments for purchase of debt instruments of other entities	23		-	-
	• Collections from borrowers and proceeds from sales of debt instruments of other entities	24		-	-
	• Payments for investments in other entities	25		-	-
	• Proceeds from sale of investments in other entities	26		-	54.108.000.000
	• Interests and dividends received	27		176.969.311.183	113.211.188.405
	Net cash flows from investing activities	30		176.294.861.741	164.149.227.228

CASHFLOW STATEMENT

(Indirect method)

Year 2015

(continued)

Currency: VND

No	ITEMS	Code	Note	Năm nay	This year
III. Cash flow from financing activities					
1.	Proceeds from share issuance, capital contribution	31		1.860.000.000	-
2.	Capital redemption and payments for purchase of treasury shares	32		-	-
3.	Drawdown of borrowings	33		1.864.000.000.000	17.422.000.000.000
4.	Repayments of borrowings	34		(1.232.000.000.000)	(17.287.000.000.000)
5.	Payment of finance leases	35		-	-
6.	Dividends paid to shareholders	36		(4.930.800)	(5.148.200)
	Net cash flows from/(used in) financial activities	40		633.855.069.200	134.994.851.800
	Net increase/ (decrease) in cash and cash equivalents during the year	50		(778.542.912.355)	710.876.860.908
	Cash and cash equivalents at the beginning of the year	60		1.603.562.789.371	892.685.928.463
	Impact of exchange fluctuation	61		-	-
	Cash and cash equivalents at the end of the year	70		825.019.877.016	1.603.562.789.371

Prepared by

Ngo Thi Truc Mai

Chief Accountant

Tran Sy Tien

Hanoi, March 23rd 2016

Chief Executive Officer



Vu Duc Tien

STATEMENT OF CHANGES IN OWNERS' EQUITY

Year 2015

Currency: VND

ITEMS	Note	Beginning balance		Increase/Decrease				Ending balance	
		Last year	This year	Last year		This year		Last year	This year
				Increase	Decrease	Increase	Decrease		
A	B	1	2	3	4	5	6	7	8
Charter capital		1,000,000,000.000	1,000,000,000.000	-	-	-	-	1,000,000,000.000	1,000,000,000.000
Share premium		108,234,052.000	108,234,052.000	-	-	310,000.000	(108,234,052.000)	108,234,052.000	310,000.000
Other equity		7,420,555.826	7,420,555.826	-	-	-	-	7,420,555.826	7,420,555.826
Treasury stock (*)		(1,550,000.000)	(1,550,000.000)	-	-	-	1,550,000.000	(1,550,000.000)	-
Financial reserve fund		7,420,555.826	7,420,555.826	-	-	-	-	7,420,555.826	7,420,555.826
Accumulated loss		(335,821,081.035)	(213,726,999,150)	122,094,081,885	-	226,472,131,262	-	(213,726,999,150)	12,745,132,112
Total		785,704,082,617	907,798,164,502	122,094,081,885	-	226,782,131,262	(106,684,052,000)	907,798,164,502	1,027,896,243,764

Prepared by



Ngo Thi Truc Mai

Chief Accountant



Tran Sy Tien

Hanoi, March 23rd 2016
Chief Executive Officer

Vu Duc Tien



NOTE TO FINANCIAL STATEMENTS

Year 2015

I. GENERAL INFORMATION

01. The form of ownership

Joint stock company.

02. Operating industry and principle activities

The Company operates in the securities sector and includes:

- Securities brokerage;
- Proprietary trading;
- Securities underwriting;
- Securities investment advisory;
- Depository services;
- Financial advisory and other financial services;
- Other activities in accordance with legal regulations.

II. FISCAL YEAR, ACCOUNTING CURRENCY

01. Fiscal year

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

02. Accounting currency

Accounting currency is VND.

III. ACCOUNTING STANDARDS AND SYSTEM APPLICATION

01. Applied accounting policies

The Company has adopted accounting regime applicable to securities companies in according to Circular No.95/2008/TT-BTC dated 24 October 2008 of Ministry of Finance guiding accounting applicable to securities companies, Circular No.162/2010/TT-BTC dated 20 October 2010 of Ministry of Finance guiding the amendments and supplementary to Circular No.95/2008/TT-BTC, Vietnamese Accounting Standards issued by Ministry of Finance and the amendments, supplementary, guidance enclosed with the Circular.

02. Declaration on compliance with accounting standards and accounting policies

The financial statements are prepared and presented in accordance with Vietnamese Accounting Standards and Vietnamese accounting policies.

03. Adoption of new accounting guidance

On 30 December 2014, the Ministry of Finance issued Circular No.210/2014/TT-BTC (Circular 210) guiding the accounting regime applicable to securities companies. This Circular will take effect from 01 January 2016. The Circular 210 supersedes Circular No.95/2008/TT-BTC dated 24 October 2008 of Ministry of Finance guiding accounting applicable to securities companies and Circular No.162/2010/TT-BTC dated 20 October 2010 of Ministry of Finance guiding the amendments and supplementary to Circular No.95/2008/TT-BTC. Board of Management is evaluating the impact of applying this Circular to the Company's financial statements in the future.

IV. APPLIED ACCOUNTING POLICIES

01. Principles of cash and cash equivalent recognition

Cash includes: cash on hand, bank deposits, cash in transit.

Bank deposits include the Company's cash and deposits from customers for securities trading activities.

Cash for clearing & settlement securities is owned by the Company and customers, deposited at bank under the Company's name, and available for clearing & settlement practices.

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

02. Principles of receivables recognition

Receivables are the amounts paid by customers or other subjects including receivables from securities trading activities (such as receivables from margin contracts, receivables from brokerage fees and custody fees), receivables from brokerage services, advisory services, projected interest receivables from financial services and other receivables. Receivables are recorded at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for more than six months or for receivables in that, at the end of the financial year, debtors are expected to be default or to have bankruptcy or other similar difficulty situations.

03. Principles of inventory recognition

Inventories are recorded at cost. When net realizable value is lower than cost, use net realizable value. Inventory cost comprises of cost to purchase, cost to produce and other directed costs related to storage. Net realizable value is the estimated selling price less the estimated costs necessary to make the sale including marketing cost, sales and distribution cost.

Weighted average cost method is used to calculated for inventory costs.

Perpetual inventory system is used for inventory values.

Write-down of inventories is made at the end of the year based on the difference between the inventory cost and net realizable value.

04. Principles of fixed asset recognition and depreciation

Principles of tangible and intangible fixed asset recognition

Tangible fixed assets, intangible fixed assets are recorded at original purchase price. In the course of use, tangible fixed assets, intangible fixed assets are recorded at cost, accumulated depreciation, and residual value.

Depreciation and amortization

Depreciation and amortization are calculated on a straight-line basis. Useful life of each assets as follow:

- Office machineries 03 – 07 years
- Means of transportation 06 years
- Other fixed assets 04 years
- Trading software and accounting software 03 - 05 years

05. Principles of financial investment recognition

Financial investments include cash deposits with maturity over 03 months, held-for-trading securities and fund certificates.

Financial investments are recorded at cost less provision for diminution in value of short term investments

Provision for diminution in value of securities is made for individual stocks which, at the time of reporting, have market values lower than book values as follows:

- For listed securities, registered securities for trading, market price to calculate for provision is the closing stock price on the last trading day preceding the last day of financial year.
- The market price for unlisted securities and securities unregistered for trading used as a basis for setting up the provision is the average of actual trading prices quoted by 3 securities companies conducting transactions within one month before the last day of financial year end. If there is no actual transaction within the period, no provision is required.

- For the delisted securities and suspended trading securities from the sixth day afterward, their prices are the book value at the latest financial report date.

06. Principles of prepaid expenses recognition

Expenses related to operating activities in previous accounting periods are recorded to prepaid expenses and there will be an amortization on the result of operating activities in subsequent accounting periods.

The calculation and allocation of long-term prepaid expenses to production costs in each accounting period shall be based on the type of expense in order to choose appropriate methods and criteria for allocation. Prepaid expenses are amortized on production cost with the straight line method.

07. Principles of payable expense recognition

Expenses have not occurred but are yet recognized and accrued in operating expenses in order to make sure that incurred expenses will not create an abnormal increase in operating expenses on the basis of matching principles of revenues and expenses. When expenses are paid, if there are any differences with accrued expenses, additional or reduced cost will be recorded accordingly.

08. Principles of borrowing and leased payable recognition

Loans are monitored based on borrowers, loan agreements and maturity terms of loan.

Issued bonds are monitored based on bond purchase agreements, the interest rate payable and the repayment due date.

09. Principles of equity recognition

Owners' equity is recorded as the actual amount the company received when it issued its shares.

Share premium is the amount received that is greater than the par amount of issued shares and reissued treasury shares.

Other owners' equity is the deduction from reserve fund to supplement charter capital

Treasury shares is shares issued by Company and then reacquired. Treasury shares are recored at cost and represented on Balance sheet as a deduction from owners' equity.

10. Principles and methods of revenue recognition

Revenues from providing services

Revenue from providing service: are recognized when results of transactions can be reliably measured. Where providing services for a long period of time, revenue is recognized by reference to the percentage of completion as at the balance sheet date. Results of transactions can be recognized if meet the following conditions:

- The revenue can be reliably measured;
- Economic benefits from the transactions is earned;
- The percentage of completion is identified as at the balance sheet date;
- Costs incurred for the transactions and costs to complete the transactions are identified.

Revenues from securities trading

Revenues from securities trading is recognized on the basis of the difference between the selling price and the weighted average cost of securities sold.

Interest revenue

Revenue is recognized in the income statement on an accrual basis (taking into account the effective yield on the assets), except for cumulative gains before purchase date (which is recognized as deductions to cost of securities) or doubtful collectability

Revenue from dividend

Dividend is when the Company's entitlement as an investor to receive the dividend is established, except for dividends received

in form of stocks, the number of received stocks is accounted for in notes to the financial statements and no value of received stocks or financial revenue or an increase in investment value is recognized.

11. Principles and methods of corporate income tax recognition

Current income tax is recognized on the basis of income and income tax rate.

V. SUPPLEMENT INFORMATION FOR ITEMS DISCLOSED IN BALANCE SHEET

Currency: VND

1. Cash and cash equivalents

Items	Closing balance	Beginning balance
Cash on hand	49.613.520	91.235.684
Bank deposits	746.526.795.691	1.022.674.597.789
In which:		
<i>Deposit of investors</i>	483.892.905.737	404.260.981.984
Cash in transit	-	-
Cash in bank for securities trading and settlement	3.443.467.805	316.146.955.898
In which:		
<i>Cash for clearing & settlement securities</i>	963.588.357	128.817.474.485
Cash equivalents	75.000.000.000	264.650.000.000
Total	825.019.877.016	1.603.562.789.371

2.1 Financial investments and values of trading volume

Items	Trading volume during the year	Trading value during the year
a Of the Company	80.530.737	2.984.386.599.500
- Shares and Investment fund certificates	69.830.717	1.892.447.107.500
- Investment fund certificates	20	192.000
- Bonds	10.700.000	1.091.939.300.000
- Others	-	-
b Of investors	5.297.551.241	72.258.297.211.800
- Shares and Investment fund certificates	5.295.117.001	71.986.375.477.800
- Investment fund certificates	14.240	135.164.000
- Bonds	2.420.000	271.786.570.000
- Others	-	-
Total	5.378.081.978	75.242.683.811.300

2.2 Financial investments

Currency: VND

Items	Volume		Book value		In comparison with market value				Market value	
					Increase		Decrease			
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014
I. Short-term investments			1,239,465,849,016	749,602,568,345	4,828,497,302	2,106,595,702	88,331,723,120	61,938,132,147	1,155,962,623,198	689,771,031,900
1. Shares			599,649,641,018	639,602,568,345	4,828,497,302	2,106,595,702	87,531,723,120	60,738,132,147	516,946,415,200	580,971,031,900
Listed shares in HNX and HSX			502,328,013,444	581,848,376,859	2,852,752,302	2,090,345,702	80,298,091,146	58,348,513,761	424,882,674,600	525,590,208,800
SHB Saigon-Hanoi Joint Stock Commerce Bank	16,083,745	15,031,538	137,065,831,349	137,065,831,349	-	-	32,521,488,849	15,310,373,549	104,544,342,500	121,755,457,800
HPG Hoa Phat Group Joint Stock Company	1,018,071	992,128	34,772,605,199	54,720,952,420	-	-	5,044,931,999	2,138,168,420	29,727,673,200	52,582,784,000
HSG Hoa Sen Group Joint Stock Company	765,003	845,113	24,477,335,111	39,551,447,305	-	591,420,195	379,740,611	-	24,097,594,500	40,142,867,500
FPT FPT Corporation	570,007	460,015	26,204,175,898	22,595,789,661	1,327,162,202	-	-	515,069,661	27,531,338,100	22,080,720,000
NTL Tuliem Urban Development Joint Stock Company	1,487,000	2,240,650	24,093,417,490	36,580,011,568	-	-	5,505,917,490	5,210,911,568	18,587,500,000	31,369,100,000
TGM Thanh Cong Textile Garment – Investment Trading Joint Stock Company	190,000	610,960	7,076,160,352	21,472,100,000	-	-	1,224,160,352	1,921,380,000	5,852,000,000	19,550,720,000
HCM Ho Chi Minh Securities Joint Stock Com-pany	538,240	460,530	20,113,647,787	17,602,494,179	-	-	3,535,855,787	3,233,958,179	16,577,792,000	14,368,536,000
PVS PetroVietnam Technical Services Corpora-tion	624,600	652,400	16,682,767,341	23,609,932,106	-	-	6,251,947,341	6,060,372,106	10,430,820,000	17,549,560,000
VTV Materials transport Cement Joint Stock Company	1,311,786	55,800	18,144,983,206	1,242,720,000	613,556,594	40,680,000	-	-	18,758,539,800	1,283,400,000
VNM Vietnam Dairy Products Joint Stock Com-pany	114	113,970	11,987,303	13,175,078,100	2,604,697	-	-	2,290,943,100	14,592,000	10,884,135,000
KDC Kinh Do Corporation	200,006	260,006	12,479,288,351	16,223,093,491	-	-	7,619,142,551	3,248,794,091	4,860,145,800	12,974,299,400
REE Refrigeration Electrical Engineering Corpo-ration	1,032,990	9,570	28,191,552,157	265,126,009	-	4,747,991	2,160,204,157	-	26,031,348,000	269,874,000
VCG Vietnam Construction Import – Export Cor-poration	850,000	804,500	11,366,267,428	10,993,007,489	-	-	1,761,267,428	775,857,489	9,605,000,000	10,217,150,000
DIG Development Investment Construction JSC	448,041	14,411	4,990,455,502	222,235,836	-	-	913,282,402	33,451,736	4,077,173,100	188,784,100
CSM The Southern Rubber Industry Joint Stock Company	200,000	127,540	7,631,539,711	5,605,575,588	-	-	2,691,539,711	121,355,588	4,940,000,000	5,484,220,000
DRC Da Nang Rubber Joint Stock Company	-	167,370	-	9,995,140,000	-	-	-	622,420,000	-	9,372,720,000
HAG HAGL Joint Stock Company	4	695,806	95,015	16,534,644,700	-	-	53,415	1,157,332,100	41,600	15,377,312,600
SSI Sai Gon Securities Joint Stock Company	53,016	855,870	1,228,530,780	25,587,844,566	-	-	51,575,580	2,051,419,566	1,176,955,200	23,536,425,000
VIC Vincom Joint Stock Company	8	14,340	297,600	757,357,795	68,000	-	-	73,339,795	365,600	684,018,000
PHC Phuc Hung Holdings Construction JSC	435,065	421,065	5,467,421,354	5,474,451,608	-	-	2,552,485,854	3,242,807,108	2,914,935,500	2,231,644,500
VRC Vung Tau Real Estate an Contruction Joint Stock Company	200,008	200,004	3,098,138,163	3,098,112,963	-	-	1,778,085,363	1,758,086,163	1,320,052,800	1,340,026,800

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DNP	Dong Nai Plastic Joint Stock Company	4.800	-	101.213.408	-	2.466.592	-	-	103.680.000	-
PLC	Petrolimex petrochemical Joint Stock Company	6.400	-	238.265.022	-	-	-	7.225.022	231.040.000	-
LAS	Lam Thao Fertilizers And Chemicals JSC	234.130	-	7.616.951.000	-	-	-	358.921.000	7.258.030.000	-
PVB	Petro Viet Nam Coating JSC	106.800	-	3.382.009.559	-	-	-	391.609.559	2.990.400.000	-
MAC	Marine Supply And Engineering Service JSC	276.100	-	2.937.387.931	-	-	-	10.727.931	2.926.660.000	-
TTB	Tien Bo Group Joint Stock Company	643.700	-	7.581.306.584	-	-	-	178.756.584	7.402.550.000	-
VKC	VinhKhanh Cable Plastic Corporation	289.900	-	3.036.000.000	-	-	65.930.000	-	3.101.930.000	-
VND	VNDIRECT Securities JSC	180.000	-	2.478.000.000	-	-	-	300.000.000	2.178.000.000	-
PID	Petroleum interior decoration joint stock company	250.000	250.000	2.500.000.000	2.500.000.000	-	1.125.000.000	1.125.000.000	1.375.000.000	1.375.000.000
HBC	Hoa Binh Corporation	570.008	-	10.684.644.698	-	145.507.302	-	-	10.830.152.000	-
SAM	Cables And Telecom Materials Joint Stock Company	-	2.181.190	-	28.430.208.246	-	-	74.738.246	-	28.355.470.000
MBB	Military Commercial Joint Stock Bank	-	1.600.000	-	22.274.901.112	-	-	1.314.901.112	-	20.960.000.000
HUT	Tasco Joint Stock Company	-	1.507.000	-	19.959.050.959	-	1.440.349.041	-	-	21.399.400.000
DLG	Duc Long Gia Lai Group. JSC	90	1.402.280	1.015.908	16.115.536.535	-	385.908	2.232.964.535	630.000	13.882.572.000
KBC	Kinh Bac City Development Shareholding Company	7	1.000.002	100.725	15.919.410.261	-	9.025	19.378.461	91.700	15.900.031.800
GAS	Petrovietnam Gas Joint Stock Corporation	-	80.000	-	9.254.980.043	-	-	3.614.980.043	-	5.640.000.000
SJS	Song Da Urban & Industrial Zone Investment and Development Joint Stock Company	7	91.027	177.268	2.302.825.110	-	12.768	18.047.410	164.500	2.284.777.700
BCI	Binh Chanh Construction Investment Shareholding Company	8	50.530	-	1.158.495.000	191.200	-	51.888.000	191.200	1.106.607.000
LCG	Licoji Joint Stock Company	-	125.000	-	1.147.500.000	-	-	85.000.000	-	1.062.500.000
ACB	Asia Commercial Bank	333.100	-	6.769.710.000	-	-	-	174.330.000	-	6.595.380.000
CTS	Vietinbank Securities Company	53.500	-	382.350.000	-	-	-	7.850.000	-	374.500.000
CVT	CVT Joint Stock Company	264.100	-	6.642.096.870	-	-	-	567.796.870	-	6.074.300.000
DBC	Dabaco Vietnam Corporation	181.300	-	4.896.830.000	-	-	-	128.640.000	-	4.768.190.000
DQC	Dien Quang Lamp Joint Stock Company	43.000	-	2.743.050.489	-	-	-	292.050.489	-	2.451.000.000
DXG	Dat Xanh Real Estate Service and Constructions Corporation	269.017	-	4.994.881.000	-	89.540.300	-	-	5.084.421.300	-
GIL	Binh Thanh Import Export, Production And Trade Joint Stock Company	24.160	-	834.181.000	-	11.419.000	-	-	845.600.000	-
GSP	International Gas Product Shipping Joint Stock Company	168.170	-	2.631.561.341	-	-	-	75.377.341	-	2.556.184.000
GTN	Thong Nhat Production and Investment Joint Stock Company	41.500	-	661.208.849	-	31.841.151	-	-	693.050.000	-

Currency: VND

Items		Volume		Book value		In comparison with market value				Market value	
						Increase		Decrease			
31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014		
HHG	Hoang Ha Joint Stock Company	15.000	-	164.680.000	-	3.320.000	-	-	-	168.000.000	-
KSB	Binh Duong Mineral And Construction Joint Stock Company	60.750	-	2.162.212.000	-	103.763.000	-	-	-	2.265.975.000	-
MWG	Mobile World Investment Corporation	74.660	-	5.898.790.000	-	-	-	37.980.000	-	5.860.810.000	-
NLG	Nam Long Investment Corporation	34.000	-	755.155.077	-	20.044.923	-	-	-	775.200.000	-
NT2	Petrovietnam Power Nhon Trach 2 Joint Stock Company	23.537	-	639.833.311	-	-	-	13.749.111	-	626.084.200	-
PAC	Dry Cell and Storage Battery Joint Stock Company	119.050	-	3.811.404.745	-	152.960.255	-	-	-	3.964.365.000	-
PTB	Phu Tai Joint Stock Company	76.130	-	5.767.763.256	-	208.441.744	-	-	-	5.976.205.000	-
PVD	PetroVietnam Drilling and Well Services Joint Stock Company	137.053	-	4.970.210.558	-	-	-	1.338.306.058	-	3.631.904.500	-
SVC	Saigon General Service Corporation	12.693	-	505.264.076	-	20.226.124	-	-	-	525.490.200	-
VCB	Joint Stock Commerce Bank for Foreign Trade of Vietnam	273.622	-	12.970.112.644	-	-	-	958.106.844	-	12.012.005.800	-
VSH	Vinh Son - Song Hinh Hydroelectric Joint Stock Company	339.095	-	5.761.710.049	-	-	-	336.190.049	-	5.425.520.000	-
CII	Hochiminh City Infrastructure Investment Joint Stock Company	182.259	9.009	3.905.849.090	192.974.276	30.945.310	-	-	10.091.576	3.936.794.400	182.882.700
CDO	Consultancy Design and Urban Development Joint Stock Company	31.000	-	791.900.000	-	20.300.000	-	-	-	812.200.000	-
NBB	577 Investment Corporation	-	6.520	-	141.429.000	-	707.000	-	-	-	142.136.000
DHA	Hoa An Joint Stock Company	-	710	-	10.133.000	-	-	-	406.000	-	9.727.000
Other Stocks		615	2.757	13.689.889	67.986.584	2.463.908	12.441.475	3.387.697	35.078.159	12.766.100	45.349.900
Listed securities on UpCOM				24.769.791.574	20.307.290.916	1.959.495.000	-	7.232.776.974	2.387.473.216	19.496.509.600	17.919.817.700
SDI	Saidong Urban Development & Investment Joint Stock Company	316.600	330.000	15.744.312.088	20.301.780.000	-	-	7.227.772.088	2.382.780.000	8.516.540.000	17.919.000.000
KTL	Thang Long Metal Wares Joint Stock Company	784.238	-	9.019.837.000	-	1.959.495.000	-	-	-	10.979.332.000	-
GGG	Giai Phong Motor Joint Stock Company	36	36	484.477	484.477	-	-	437.677	426.877	46.800	57.600
PVA	PetroVietnam - Nghe An Construction JSC	30	30	1.923.923	1.923.923	-	-	1.875.923	1.854.923	48.000	69.000
S96	Song Da No 9.06 Joint Stock Company	95	95	1.001.578	1.001.578	-	-	906.578	764.078	95.000	237.500
VSP	Viet Hai Shipping and Real Properties Corporation	41	41	1.405.350	1.405.350	-	-	1.368.450	1.331.550	36.900	73.800
VTA	Vitaly Joint Stock Company	60	60	629.000	629.000	-	-	227.000	257.000	402.000	372.000
CNT	Construction and Materials Trading Joint Stock Company	4	-	90.570	-	-	-	85.770	-	4.800	-

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NTB	Transport Engineering Construction and Business Investment Stock Company 584	3	3	66.588	66.588	-	-	63.888	58.788	2.700	7.800
HILA	Huu Lien Asia Corporation	2	-	41.000	-	-	-	39.600	-	1.400	-
Unlisted shares or delisted shares											
		72.551.836.000	37.446.900.570	16.250.000	16.250.000	855.000	2.145.170	72.567.231.000	37.461.005.400	19.496.509.600	17.919.817.700
CIENCO1	Civil Engineering Construction Corporation No 1- Joint Stock Company	5.490.000	3.450.000	51.837.000.000	30.360.000.000	-	-	-	-	51.837.000.000	30.360.000.000
TRACODI	Transport and Communication Development Investment Corporation	1.100.000	-	12.100.000.000	-	-	-	-	-	12.100.000.000	-
VPV	Victory Viet Phap Joint Stock Company	1.800.000	1.800.000	5.580.000.000	5.580.000.000	-	-	-	-	5.580.000.000	5.580.000.000
DUONGSAT.PN	South Railways Joint Stock Company	450.000	-	1.530.000.000	-	-	-	-	-	1.530.000.000	-
CIENCO4	Civil Engineering Construction Corporation No 4 - Joint Stock Company	-	-	-	-	-	-	-	-	-	-
PXH	Ha Noi Petroleum Construction Joint Stock Company	150.000	150.000	1.503.750.000	1.503.750.000	16.250.000	16.250.000	-	-	1.520.000.000	1.520.000.000
	Other stocks	60	151	1.086.000	3.150.570	-	-	855.000	2.145.170	231.000	1.005.400
2. Bonds											
MIN				-	-	-	-	-	-	-	90.000.000.000
HNG	Minh Ngan Real Estate Joint Stock Company	-	90	-	90.000.000.000	-	-	-	-	-	90.000.000.000
ANB				-	-	-	-	-	-	-	-
OND				-	-	-	-	-	-	-	-
3. Listed fund certificates											
E1VF VN30	ETF VFMVN30 fund certificates	2.000.000	2.000.000	20.000.000.000	20.000.000.000	-	-	800.000.000	1.200.000.000	19.200.000.000	18.800.000.000
				2.000.000	20.000.000.000	-	-	800.000.000	1.200.000.000	19.200.000.000	18.800.000.000
4. Money deposits with maturity more than 3 months											
				619.816.207.998	-	-	-	-	-	619.816.207.998	-
II. Investment Shares											
				-	10.692.000.000	-	-	-	-	-	10.692.000.000
1. Available securities for sales											
				-	10.692.000.000	-	-	-	-	-	10.692.000.000
	+ Un-listed shares			-	10.692.000.000	-	-	-	-	-	10.692.000.000
BSH (SVC be-fore)	Saigon – Hanoi Insurance Corporation (SHB – Vinacomin Insurance Corporation) (*)	-	495.000	-	10.692.000.000	-	-	-	-	-	10.692.000.000
Total											
				1.239.465.849.016	760.294.568.345	4.828.497.302	2.106.595.702	88.331.723.120	61.938.132.147	1.155.962.623.198	700.463.031.900

3. Short-term receivables

Currency: VND

Items	Beginning balance			Changes during the year			Ending balance			Provision
	Total	Overdue	Bad debts	Increase	Decrease	Total	Overdue	Bad debts		
1	Receivables from customers	2.572.000.000	330.000.000	-	8.569.121.488	5.381.207.488	5.759.914.000	330.000.000	-	(330.000.000)
	- Receivables from advisory services	2.572.000.000	330.000.000	-	8.569.121.488	5.381.207.488	5.759.914.000	330.000.000	-	(330.000.000)
2	- Advances to supplies	85.403.665.899	-	-	324.827.454	422.748.353	85.305.745.000	-	-	-
	- Advances for advisory activities	403.665.899	-	-	324.827.454	422.748.353	305.745.000	-	-	-
	- Advances for building Office	85.000.000.000	-	-	-	-	85.000.000.000	-	-	-
3	Securities trading receivables	17.229.606.683	16.910.903.533	-	1.616.560.532	1.552.704.641	17.293.462.574	16.910.903.533	-	(11.075.576.903)
	- Receivables from Stock Exchange	2.970	-	-	934.312.224	870.205.533	64.109.661	-	-	-
	- Receivables from VSD	318.449.380	-	-	318.449.380	318.449.380	318.449.380	-	-	-
	- Receivables from customers for trading fees and custody fees	16.911.154.333	16.910.903.533	-	363.798.928	364.049.728	16.910.903.533	-	-	-
	Receivables from customers for margin activities	16.911.154.333	16.910.903.533	-	363.798.928	364.049.728	16.910.903.533	16.910.903.533	-	(11.075.576.903)
4	Deducted value added tax	-	-	-	138.281.803	138.281.803	-	-	-	-
5	Other receivables	985.154.647.023	326.069.411.528	-	37.497.872.092.781	36.962.012.820.602	1.521.013.919.202	325.205.534.678	-	(264.174.746.198)
	- Receivables from customers for other support activities	272.886.337.465	-	-	23.646.100.526.705	23.718.925.588.351	200.061.275.819	-	-	-
	- Receivables from margin contracts	663.773.530.416	290.347.729.667	-	13.140.068.963.519	12.547.232.276.449	1.256.610.217.486	289.574.920.769	-	(242.767.031.631)
	- Receivables from other supporting	9.215.730.699	8.876.678.248	-	562.394.353.137	562.639.819.027	8.970.264.809	8.798.677.438	-	(3.712.794.662)
	- Receivables from loans and interest	15.854.870.296	15.430.809.124	-	23.062.440.346	18.409.093.787	20.508.216.855	15.417.741.982	-	(9.551.405.665)
	- Receivables from corporate actions	-	-	-	48.063.855.000	39.933.385.000	8.130.470.000	-	-	-
	- Dividends and distributed earnings	820.000.000	820.000.000	-	22.173.881.600	22.173.881.600	820.000.000	820.000.000	-	(574.000.000)
	- Other receivables	22.604.178.147	10.594.194.489	-	56.008.072.474	52.698.776.388	25.913.474.233	10.594.194.489	-	(7.569.514.240)
	Total	1.090.359.919.605	343.310.315.061	-	37.508.520.884.038	36.969.507.762.867	1.629.373.040.776	342.446.438.211	-	(275.580.323.101)

4. Inventory

Currency: VND

Items	Ending balance	Beginning balance
Raw materials	40.619.533	120.312.890
Tool, supplies	105.294.200	-
Total	145.913.733	120.312.890

5. Changes in tangible fixed assets

Currency: VND

Items	Machinery, equipment	Motor vehicles	Other tangible fixed assets	Total
I Cost				
Beginning balance	11.673.537.214	3.294.576.582	321.797.713	15.289.911.509
- Purchase	192.130.900	-	-	192.130.900
- Other increase	-	-	-	-
- Disposals	(432.451.585)	-	(58.231.615)	(490.683.200)
- Other decrease	-	-	-	-
Ending balance	11.433.216.529	3.294.576.582	263.566.098	14.991.359.209
II Accumulated depreciation				
Beginning balance	9.470.332.205	3.090.135.767	256.851.287	12.817.319.259
- Charge for year	1.135.339.234	114.363.885	38.745.736	1.288.448.855
- Other increase	-	-	-	-
- Disposals	(432.451.585)	-	(45.113.852)	(477.565.437)
- Other decrease	-	-	-	-
Ending balance	10.173.219.854	3.204.499.652	250.483.171	13.628.202.677
III Net book value				
1 Beginning balance	2.203.205.009	204.440.815	64.946.426	2.472.592.250
2 Ending balance	1.259.996.675	90.076.930	13.082.927	1.363.156.532

Costs of fixed assets that are fully depreciated and still in use are VND10.699.414.280.

6. Changes in intangible assets

Currency: VND

Items	Copyright, invention	Trading and accounting software	Total
I Cost			
Beginning balance	-	20.180.442.990	20.180.442.990
- Purchase	-	494.613.997	494.613.997
- Other increase	-	-	-
- Disposals	-	-	-
- Other decrease	-	-	-
Ending balance	-	20.675.056.987	20.675.056.987
II Accumulated amortization			
Beginning balance	-	17.310.661.115	17.310.661.115
- Charge for year	-	2.428.636.428	2.428.636.428
- Other increase	-	-	-
- Disposals	-	-	-
- Other decrease	-	-	-
Ending balance	-	19.739.297.543	19.739.297.543
III Net book value			
1 Beginning balance	-	2.869.781.875	2.869.781.875
2 Ending balance	-	935.759.444	935.759.444

Costs of fixed assets that are fully amortized and still in use are VND18.945.828.822

7. Long-term prepaid expenses

Currency: VND

Items	Ending balance	Beginning balance
Prepaid fixed assets maintenance expenses	725.681.088	751.812.194
Prepaid equipment maintenance expenses	1.173.727.281	1.062.620.649
Prepaid advisory fees	320.905.737	295.541.172
Other long-term prepaid expenses	667.024.220	345.552.251
Total	2.887.338.326	2.455.526.266

08. Payment for settlement assistance fund

Currency: VND

Items	Ending balance	Beginning balance
Initial payment	120.000.000	120.000.000
Annual supplements	6.742.522.563	4.560.971.943
Annual allocated interest	1.336.817.710	1.018.368.330
Total	8.199.340.273	5.699.340.273

09. Short-term borrowings

Currency: VND

Items	Beginning balance	Borrowing	Paying	Ending balance
Short-term borrowings	465.000.000.000	1.284.000.000.000	1.232.000.000.000	517.000.000.000
Bank borrowings (*)	465.000.000.000	1.284.000.000.000	1.232.000.000.000	517.000.000.000
Total	465.000.000.000	1.284.000.000.000	1.232.000.000.000	517.000.000.000

(*) In which:

Items	Petrolimex Group Commercial Joint Stock Bank (!)	Saigon-Hanoi Commercial Joint Stock Bank (!!)	AnBinh Commercial Joint Stock Bank (!!!)	Orient Joint Stock Commercial Bank - Ha Noi Branch (!!!!)
- Beginning balance	-	400.000.000.000	65.000.000.000	-
- Borrowing	37.000.000.000	1.115.000.000.000	67.000.000.000	65.000.000.000
- Paying	17.000.000.000	1.115.000.000.000	90.000.000.000	10.000.000.000
Ending balance	20.000.000.000	400.000.000.000	42.000.000.000	55.000.000.000

(!) Loan Agreement No.106.0438/2015/HDTDHM-DN/PGBHN dated April 24, 2015 with terms and conditions as follows:

- Loan amount: VND 100,000,000,000;
- Loan outstanding as at 31/12/2015: VND 20,000,000,000;
- Purpose: increase working capital for proprietary trading;
- Lending rate: is specified in each debt note and does not change during loan tenor, lending rate on loan outstanding as at December 31, 2015 is 8% per annum.
- Type of collateral: loan is secured by listed shares and OTC shares for each debt note, collateral for loans outstanding as at December 31, 2015 is valued at VND29,936,490,000, and yields arising from securities are also pledged assets.

(!!) Loan at Saigon – Hanoi Commercial Joint Stock Bank with Loan Agreement No. 198/2015/HDHM-PN/SHB.111300 dated November 06, 2015 with terms and conditions as follows:

- Loan amount: VND 500,000,000,000;
- Loan outstanding as at 31/12/2015: VND 400,000,000,000;
- Purpose: increase working capital for government bond trading;
- Lending rate: is specified in each debt note and adjusted every 3 months from the disbursement date;
- Type of collateral: loan is secured by OTC shares with the valuation of VND568,194,826,000.

(!!!) Loan Agreement No. 4758/15/TD-TT/II September 29, 2015 with terms and conditions as follows:

- Loan amount: VND 100,000,000,000;
- Loan outstanding as at 31/12/2015: 42,000,000,000 VND;
- Purpose: increase working capital for government bond trading and listed corporate bond trading;
- Lending rate: is specified in each debt note;
- Type of collateral: loan is secured by listed shares with the valuation of VND47,613,000,000

(!!!!) Loan Agreement No. 0056/15/HDTDHM-DN dated 13 July, 2015 with terms and conditions as follows:

- Loan amount: VND 100,000,000,000;
- Loan outstanding as at 31/12/2015: VND 55,000,000,000;
- Purpose: increase working capital for government bond trading;
- Lending rate: is specified in each debt note;
- Type of collateral: loan is secured by listed shares with the valuation of VND140,270,000,000.

10. Taxes and amounts payable to the State Budget

Currency: VND

Items	Ending balance	Beginning balance
Value added tax (VAT)	421.260.966	440.747.703
Personal income tax	5.474.234.324	7.007.260.162
Total	5.895.495.290	7.448.007.865

11. Accrued expenses

Currency: VND

Items	Ending balance	Beginning balance
Accrued interest	14.518.513.889	754.305.556
Opportunity cost for securities brokerage contract	4.027.581.102	3.894.382.047
Others	663.194.033	3.516.674.936
Total	19.209.289.024	8.165.362.539

12. Other short-term payables

Currency: VND

Items	Ending balance	Beginning balance
Trade union fee	123.447.855	47.702.815
Social insurance	584.039.460	334.912.240
Health insurance	102.641.445	58.249.080
Unemployment insurance	45.618.420	25.762.280
Others	1.197.833.228.597	1.491.243.982.373
- Deposits for securities brokerage contracts (*)	711.245.551.312	957.715.406.287
- Deposits for short-term margin contract (**)	484.761.056.844	532.845.666.299
- Dividends for SHS' investors	307.023.449	311.954.249
- Others	1.519.596.992	370.955.538
Total	1.198.688.975.777	1.491.710.608.788

(*): The Company receives deposits from investors to buy securities at their request. In case the Company cannot buy the securities in the validity period of the contract, the Company will repay the deposits to investors with an opportunity cost as agreed in the contract. This opportunity cost is debited to "Accrued expenses" at the end of each month.

(**): Cash deposits for margin contracts by investors.

13. Securities trading expenses

Currency: VND

Items	Ending balance	Beginning balance
Other liabilities	8.924.818.000	289.674.183.603
Total	8.924.818.000	289.674.183.603

14. Long-term borrowings

Currency: VND

Items	Ending balance	Beginning balance
Bonds	580.000.000.000	-
TienPhong Commercial Joint Stock Bank (!)	460.000.000.000	-
VietinBank Fund Management Co., LTD (!!)	120.000.000.000	-
Total	580.000.000.000	0

(I) Tien Phong Commercial Joint Stock Bank purchases SHS' bonds with details as follows:

Bond indenture No. 30102015/SHS-TPBANK dated October 30, 2015 with terms and conditions:

- Bond code: SHS_BOND.400.2015.02;
- Bond type: Non-convertible bond, transferable bond, non-secured bond;
- Bond tenor: 02 years;
- Issuance date: 30/10/2015;
- Maturity date: 30/10/2017;
- Par-value of bond: VND1,000,000,000 /bond;
- Offering volume: 280 bonds;
- Selling price: VND1,000,000,000 /bond;
- Coupon rate: Fixed rate of 9.3% p.a. in the first 06 month; in the following 6-month periods, floating rate of the average of 04 commercial banks' 12-month personal deposit rate, plus a margin of 2 – 2.5% p.a. (04 commercial banks: BIDV, Vietcombank, VietinBank, SHB)

Bond indenture No. 02072015/SHS-TPBANK dated July 07, 2015 with terms and conditions:

- Bond code: SHS_BOND.250.2015.01;
- Bond type: Non-convertible bond, non-secured bond;
- Bond tenor: 02 years;
- Issuance date: 02/07/2015;
- Maturity date: 02/07/2017;
- Face value of bond: VND1,000,000,000 /bond;
- Offering volume: 180 bonds;
- Selling price: VND1,000,000,000 /bond;
- Coupon rate: Fixed rate of 8.5% p.a. in the first 06 month; in the following 6-month periods, floating rate of the average of 04 commercial banks' 12-month personal deposit rate, plus a margin of 2 – 3% p.a. (04 commercial banks: BIDV, Vietcombank, VietinBank, SHB).

(II) VietinBank Fund Management Co., LTD purchases SHS' bonds with details as follows:

Bond indenture No. 0211.2015/SHS-VTBC dated November 02, 2015 with terms and conditions:

- Bond code: SHS_BOND.400.2015.02;
- Bond type: Non-convertible bond, non-secured bond;
- Bond tenor: 02 years;
- Issuance date: 02/11/2015;
- Maturity date: 02/11/2017;
- Par-value of bond: VND1,000,000,000 /bond;
- Offering volume: 80 bonds;
- Selling price: VND1,000,000,000 /bond;

- Coupon rate: Fixed rate of 8.3% p.a. in the first 06 month; in the following 6-month periods, floating rate of the average of 04 commercial banks' 12-month personal deposit rate, plus a margin of 2 – 2.5% p.a. (04 commercial banks: BIDV, Vietcombank, VietinBank, SHB).

Bond indenture No. 2910.2015/SHS-VTBC dated October 29, 2015 with terms and conditions:

- Bond code: SHS_BOND.400.2015.02;
- Bond type: Non-convertible bond, non-secured bond;
- Bond tenor: 02 years;
- Issuance date: 30/10/2015;
- Maturity date: 30/10/2017;
- Par-value of bond: VND1,000,000,000 /bond;
- Offering volume: 40 bonds;
- Selling price: VND1,000,000,000 /bond;
- Coupon rate: Fixed rate of 8.0% p.a. in the first 06 month; in the following 6-month periods, floating rate of the average of 04 commercial banks' 12-month personal deposit rate, plus a margin of 2 – 2.5% p.a. (04 commercial banks: BIDV, Vietcombank, VietinBank, SHB).

VI. SUPPLEMENT INFORMATION FOR ITEMS DISCLOSED IN INCOME STATEMENT

1. Current corporate income tax expenses

Currency: VND

Items	This year	Last year
Profit before tax	118.238.079.262	122.094.081.885
Adjustments to increase	-	-
Adjustments to decrease	347.731.041.226	447.428.478.511
- Dividend income and profits from subsidiaries	22.396.644.600	33.595.630.877
- Loss carried forward of last year	325.334.396.626	413.832.847.634
CIT Taxable income	(229.492.961.964)	(325.334.396.626)
Tax rate	22%	22%
Current corporate income tax expenses	-	-

2. Basic earnings per share

Currency: VND

Items	This year	Last year
Profit after income tax	118.238.079.262	122.094.081.885
Profit/loss distributed to ordinary shareholders	118.238.079.262	122.094.081.885
Weighted average number of share to calculate basic earnings per share	99.974.167	99.845.000
Basic earnings per share	1.183	1.223

VII. SUPPLEMENT INFORMATION FOR ITEMS DISCLOSED IN CASH FLOW STATEMENT:

None

VIII. SUPPLEMENT INFORMATION FOR ITEMS DISCLOSED IN CHANGES IN EQUITY STATEMENT:**1. Supplement information for changes in equity statement**

Items	Note
Dividend proposed or announced after the reporting date but before the issuing date	None
Cumulative unrecorded dividend of preference stocks	None
Incomes and expenses, profit or loss that are recognized directly into Owners' Equity	None
Elimination of accumulated deficit by using share premium of VND108,234,052,000 as of 31/12/2014	According to Board Resolution No. 01-2015/NQ-DHDCD dated 22 January 2015 of the Extraordinary General Meeting.

2. Shares

Items	Ending balance	Beginning balance
Number of authorized shares	100.000.000	100.000.000
Number of issued shares	100.000.000	100.000.000
<i>Ordinary shares</i>	<i>100.000.000</i>	<i>100.000.000</i>
Number of treasury shares	100.000.000	100.000.000
<i>Ordinary shares</i>	-	<i>155.000</i>
Number of outstanding shares	-	155.000
<i>Ordinary shares</i>	<i>100.000.000</i>	<i>99.845.000</i>

Face value of each share is VND10,000/share.

IX. OTHER INFORMATION**1. Events after the balance sheet date**

The Board of Management confirms that there has been no matters or circumstances arising since the balance sheet date that they are required to be disclosed in the financial statements.

2. Information with related parties

Transactions with key personnel and related parties:

Internal people and related parties include: members of Board of Directors, Board of Management, Chief Accountant and their related parties.

Currency: VND

Items	This year	Last year
Income of Board of Directors and Board of Management	8.573.273.962	7.677.835.464

Transactions with other related parties

Other related parties with the Company includes:

Related parties	Relationship
Saigon – Hanoi Insurance Corporation (SHB – Vinacomin Insurance Corporation nowadays)	Same Chairman
Saigon – Hanoi Commercial Joint Stock	Same Chairman

Transactions between the Company and related parties in the year are as follows:

Currency: VND

Items	This year	This year
Saigon – Hanoi Commercial Joint Stock		
Interest expenses	222.750.000	34.295.506.883
Dividends (number of shares)	1.052.207	-
Dividends in cash	-	16.748.655.900
New drawdown	1.115.000.000.000	12.441.000.000.000
Loan repayment	1.115.000.000.000	12.371.000.000.000

Currency: VND

Items	Ending balance	Beginning balance
Saigon-Hanoi Insurance Corporation (SHB – Vinacomin Insurance Corporation nowadays)		
	-	10.692.000.000
Stock investments	-	10.692.000.000
Saigon – Hanoi Commercial Joint Stock		
	137.065.831.349	137.065.831.349
Stock investments	137.065.831.349	137.065.831.349
Total	137.065.831.349	147.757.831.349

At the balance sheet date, liabilities with related parties as follows:

Currency: VND

Items	Ending balance	Beginning balance
Saigon – Hanoi Commercial Joint Stock		
	400.000.000.000	400.000.000.000
Short-term borrowings	400.000.000.000	400.000.000.000
Total	400.000.000.000	400.000.000.000

03. Segment information

Segment information is disclosed on basis of business segments and geographical segments. Main segment statement is prepared on basis of business segments. Minor segment statement is prepared on basis of geographical segments.

Business segments:

Business segments of the Company are: Brokerage, Securities trading, Proprietary trading, Advisory, Depository and others. Information on business performance, fixed assets, other long-term assets and non-cash expenses of each department categorized by company's business segment as follows:

Currency: VND

Items	Brokerage	Proprietary trading	Treasury activities and customer services	Financial advisory and underwriting	Total
This year					
Net revenues from external sales	115.222.442.972	181.874.539.027	161.068.552.579	60.593.525.641	518.759.060.219
Net revenues from internal sales	-	-	-	-	-
Allocation expenses	107.375.832.353	95.563.040.242	148.033.239.172	49.323.304.015	400.295.415.783
Profit from operations	7.846.610.619	86.311.498.785	13.035.313.407	11.270.221.626	118.463.644.436
Expenses to purchase fixed assets and other long-term assets	152.534.058	240.769.600	213.226.168	80.215.071	686.744.897
Ending balance					

Direct segment assets	49.349.932.343	578.632.162.601	2.713.662.520.139	18.826.977.973	3.360.471.593.057
Unallocated assets	-	-	-	-	-
Total assets	49.349.932.343	578.632.162.601	2.713.662.520.139	18.826.977.973	3.360.471.593.057
Direct segment liabilities	5.836.967.884	2.395.218.164	2.322.694.169.672	1.648.993.573	2.332.575.349.293
Unallocated liabilities	-	-	-	-	-
Total liabilities	5.836.967.884	2.395.218.164	2.322.694.169.672	1.648.993.573	2.332.575.349.293

Currency: VND

Items	Brokerage	Proprietary trading	Treasury activities and customer services	Financial advisory and underwriting	Total
Last year					
Net revenues from external sales	95.025.164.069	168.444.202.406	82.904.361.219	53.403.664.550	399.777.392.244
Net revenues from internal sales	-	-	-	-	-
Allocation expenses	84.139.955.078	70.544.406.436	75.028.537.739	48.033.196.011	277.746.095.264
Profit from operations	10.885.208.991	97.899.795.970	7.875.823.480	5.370.468.539	122.031.296.980
Expenses to purchase fixed assets and other long-term assets	2.508.513.267	365.598.855	179.939.345	115.909.710	3.169.961.177
Ending balance					
Direct segment assets	41.644.245.126	745.018.681.477	2.364.393.509.058	21.913.198.282	3.172.969.633.943
Unallocated assets	-	-	-	-	-
Total assets	41.644.245.126	745.018.681.477	2.364.393.509.058	21.913.198.282	3.172.969.633.943
Direct segment liabilities	10.689.855.838	2.054.450.641	1.293.232.146.846	959.195.016.116	2.265.171.469.441
Unallocated liabilities	-	-	-	-	-
Total liabilities	10.689.855.838	2.054.450.641	1.293.232.146.846	959.195.016.116	2.265.171.469.441

Geographical segment: SHS has geographical segment in the North, the Middle, and the South.

Currency: VND

Items	The North	The Middle	The South	Total
This year				
- Net revenues from external sales	433.993.253.783	77.453.654.432	7.312.152.004	518.759.060.219
- Direct segment assets	2.819.521.971.304	412.963.735.591	22.825.743.840	3.255.311.450.735
- Expenses to purchase fixed assets and other long-term assets	686.744.897	-	-	686.744.897
Last year				
- Net revenues from external sales	336.948.731.390	8.182.776.228	54.645.884.626	399.777.392.244
- Direct segment assets	3.026.628.607.337	35.715.071.723	110.625.954.883	3.172.969.633.943
- Expenses to purchase fixed assets and other long-term assets	3.087.217.065	41.372.056	41.372.056	3.169.961.177

4. Fair value of financial assets and liabilities

Currency: VND

Items	Book value			Fair value		
	Ending balance		Beginning balance	Ending balance	Beginning balance	
	Book value	Provision				
Financial assets						
Cash and cash equivalents	825.019.877.016	-	1.603.562.789.371	-	825.019.877.016	1.603.562.789.371
Trade receivables, securities trading re- ceivables, other receivables	1.544.067.295.776	(275.580.323.101)	1.004.956.253.706	(256.154.949.673)	1.268.486.972.675	748.801.304.033
Short-term investments	1.239.465.849.016	(88.331.723.120)	749.602.568.345	(61.938.132.147)	1.155.962.623.198	689.771.031.900
Long-term investments	-	-	10.692.000.000	-	-	10.692.000.000
Total	3.608.553.021.808	(363.912.046.221)	3.368.813.611.422	(318.093.081.820)	3.249.469.472.889	3.052.827.125.304

Items	Book value		Fair value	
	Ending balance	Beginning balance	Ending balance	Beginning balance
Financial liabilities				
Loans and liabilities	1.097.000.000.000	465.000.000.000	1.097.000.000.000	465.000.000.000
Trade receivables, securities trading receivables, other receivables	1.206.797.072.287	1.781.523.122.341	1.206.797.072.287	1.781.523.122.341
Accrued expenses	19.209.289.024	8.165.362.539	19.209.289.024	8.165.362.539
Total	2.323.006.361.311	2.254.688.484.880	2.323.006.361.311	2.254.688.484.880

5. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four types of risk: interest rate risk, currency risk, stock price risk and other price risk, such as equity price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rate relates primarily to the Company's trade and other receivables, cash and short-term deposits and financial loans and borrowings.

The Company manages interest rate risk by looking at the competitive structure of the market to identify a proper interest rate policy which is favorable for its purposes within its risk management limits.

Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's accounting currency).

Equity price risk

The Company's listed and unlisted equity securities are susceptible to market price risk arising from uncertainty about future values of the investment securities.

Commodity price risk

The Company is not exposed to commodity price risk

06. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss for Company. The Company is exposed to credit risk from its operating activities (primarily for receivables from customers) and from its financing activities, including deposits with banks and other financial instruments.

Investment in debt securities

Credit risk associated with investment in debt securities is managed by the Company based on its policy, procedure and control steps over securities investments. At each of reporting date, the Company assesses its exposure to credit risk related to investments in debt securities based on market information and recoverability of these investments.

Receivables from customers

Customer credit risk is managed by the Company based on its established policy, procedures and control relating to customer credit risk management.

Outstanding customer receivables are regularly monitored. The requirement for impairment is analyzed at each reporting date on an individual basis for major clients. Due to the Company's receivables relate to a large number of diversified customers and corresponding collateral assets, there is no significant concentration of credit risk.

Bank deposits

The Company's bank balances are mainly maintained with well-known banks in Vietnam. Credit risk from balances with banks is managed by the Company's accounting and treasury department in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components of the balance sheet at each reporting date is the book value reported in section V.1. The Company evaluates the concentration of credit risk in respect to bank deposits as low.

7. Liquidity risk

The liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations due to shortage of funds.

The Company monitors its liquidity risk by maintain a level of cash and cash equivalents deemed adequate by the management to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

The below table summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Currency: VND

Items	Less than 1 year	From 1 year to 5 years	More than 5 years	Total
Beginning balance				
Short-term loans and borrowings	465.000.000.000	-	-	465.000.000.000
Trade payables, other payables	1.491.823.938.738	25.000.000	-	1.491.848.938.738
Accrued expenses	8.165.362.539	-	-	8.165.362.539
Payables relating to securities trading activities	289.674.183.603	-	-	289.674.183.603
Total	2.254.663.484.880	25.000.000	-	2.254.688.484.880
Closing balance				
Short-term loans and borrowings	517.000.000.000	580.000.000.000	-	1.097.000.000.000
Trade payables, other payables	1.197.847.254.287	25.000.000	-	1.197.872.254.287
Accrued expenses	19.209.289.024	-	-	19.209.289.024
Payables relating to securities trading activities	8.924.818.000	-	-	8.924.818.000
Total	1.742.981.361.311	580.025.000.000	-	2.323.006.361.311

8. Comparative information

Comparative figures in use are from financial statements for the year ended at 31 December 2014 which were audited by the Hanoi Branch of Nam Viet Auditing and Accounting Financial Consulting Services Company Limited (AASCN).

9. On-going concern information

There have been no significant events occurring during the financial year of 2015 that have affected the capabilities of continuous operation of the Company. Thus financial statements are prepared on the assumption that the Company will operate continuously in the future.

Hanoi, March 23rd 2016

Prepared by: **Chief Accountant**: **Chief Executive Officer**:

Ngô Thị Trúc Mai **Trần Sỹ Tiên** **Vũ Đức Tiên**

OTHER INFORMATION

SHAREHOLDERS STRUCTURE, CHANGES IN EQUITY

SHARES

TOTAL SHARES 100,000,000 shares		
Common shares (100,000,000 shares)		Preference shares (0 shares)
Non-restricted transferring shares (100,000,000 shares)		Restricted transferring shares (0 shares)
Outstanding shares (100,000,000 shares)	Treasury shares (0 shares)	

SHAREHOLDERS STRUCTURE

(As at 15/03/2016 according to the Announcement on the closing list of shareholders for attending the 2016 AGM-SHS)

No.	Category	Number of shares	Value (VND)	Ownership(%)	Number of shareholders
1.1	Major shareholders	12.534.600	125.346.000.000	12,53	02
1.2	Minorshareholders	87.465.400	874.654.000.000	87,47	3.474
1	Total	100.000.000	1.000.000.000.000	100,00	3.476
2.1	Institutionalshareholders	18.408.920	184.089.200	18,41	41
2.2	Individual shareholders	81.591.080	815.910.800	81,59	3.435
2	Total	100.000.000	100.000.000.000	100,00	3.476
3.1	Domestic shareholders	93.147.629	931.476.290.000	93,15	3.448
3.2	Foreign shareholders	6.852.371	68.523.710.000	6,85	28
3	Total	100.000.000	1.000.000.000.000	100,00	3.476
4.1	State shareholders	0	0	0	0
4.2	Other shareholders	100.000.000	1.000.000.000.000	100	3.476
4	Total	100.000.000	1.000.000.000.000	100,00	3.476

CHANGES IN EQUITY

In 2015, Company's chartered capital remained at VND1,000 billion.

TREASURY SHARES

- Transactions of treasury shares during the year:

February 2015: approved by SSC and HNX, the Company sold 155,000 shares using put-through transaction through VSD's ownership transferring system.

- Number of treasury shares as at 31/12/2015: None

OTHER SECURITIES

No.	Tenor	Date of issue	Maturity date	Issuance volume during the year (VND billion)	Payment due during the year (VND billion)	Ending balance (VND billion)
1	2 years	02/07/2015	02/07/2017	180	-	180
2	2 years	03/07/2015	03/07/2017	30	30	-
3	2 years	14/07/2015	14/07/2017	40	40	-
Total of first issuance				250	70	180
4	2 years	30/10/2015	30/10/2017	320	-	320
5	2 years	02/11/2015	02/11/2017	80	-	80
Total of second issuance				400	-	400
Total				650	70	580

WAGES, REWARDS, REMUNERATION AND PROFITS

Parties	No. of members	Wages, rewards, remuneration in 2015 (billion VND)	2015 plan (billion VND)	Completion of the plan
Board of Directors	5	2,14	3,9	73,85%
Board of Supervision	3	0,74		
Board of Management (including remuneration for concurrent positions in other companies)	4	6,43 (*)		

(*) In which:

- Salary: 4.08 billion VND
- Income based on business performance: 2.17 billion VND
- Allowances: 0.18 billion VND

SHARE TRADING TRANSACTIONS OF INTERNAL SHAREHOLDERS AND RELATED INSTITUTION/INDIVIDUAL

- 21/08/2015: Sai Gon – Ha Noi Fund Management JSC sold 50,760 shares, decreasing ownership from 0.05% to 0%.
- 04/12/2015: T&T Group JSC sold 6,200,000 shares, decreasing ownership from 12.33% to 6.13%.

CONTRACTS, TRANSACTIONS WITH INTERNAL SHAREHOLDERS AND RELATED ORGANISATION/INDIVIDUAL

Related parties with the Company are as follows:

Related parties	Relationship
Sai Gon – Ha Noi Insurance Corporation (SHB – Vinacomin Insurance Joint Stock Corporation before)	Same chairman
Sai Gon – Ha Noi Joint Stock Commercial Bank	Same chairman

Transactions with related parties:

Currency: VND

Items	This year	Last year
Sai Gon – Ha Noi Joint Stock Commercial Bank		
Interest Expenses	222.750.000	34.295.506.883
Stock dividend received	1.052.207	-
Cash dividend received	-	16.748.655.900
Loan received	1.115.000.000.000	12.441.000.000.000
Loan paid	1.115.000.000.000	12.371.000.000.000

Account payables to related parties as at 31 December 2015:

Currency: VND

Items	Ending balance	Beginning balance
Sai Gon – Ha Noi Insurance Corporation (SHB – Vinacomin Insurance Joint Stock Corporation before)	-	10.692.000.000
Stock investment	-	10.692.000.000
Sai Gon – Ha Noi Joint Stock Commercial Bank	137.065.831.349	137.065.831.349
Stock investment	137.065.831.349	137.065.831.349
Total	137.065.831.349	147.757.831.349
Sai Gon – Ha Noi Joint Stock Commercial Bank	400.000.000.000	400.000.000.000
Short-term borrowing	400.000.000.000	400.000.000.000
Account payables	400.000.000.000	400.000.000.000



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