

DFVN FIXED INCOME FUND

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022



**DFVN FIXED INCOME FUND**

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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## DFVN FIXED INCOME FUND

### GENERAL INFORMATION OF THE FUND

<b>Establishment registration certificate of Open-ended fund</b>	238/GCN-UBCK issued by the State Securities Commission on 20 October 2020	
<b>Certificate of Establishment registration of open-ended fund</b>	02/GCN-UBCK issued by the SSC on 4 February 2021	
<b>Board of Representatives</b>	Mr. Do Hung Viet Mr. Huynh Van Dung Mr. Nguyen Gia Huy Chuong	Chairperson Member Member
<b>Fund Management Company</b>	Dai-ichi Life Vietnam Fund Management Company Limited	
<b>Board of Executives of the Fund Management Company</b>	Mr. Tran Chau Danh Mr. Masafumi Takeshita Mr. Dang Vi Thanh	Chief Executive Officer cum Chief Investment Officer Corporate Planning and Risk Management Assistant Director Member, Assistant Director Head of Business Development
<b>Supervising Bank</b>	HSBC Bank (Vietnam) Limited	
<b>Registered Office</b>	11th Floor, 149-151 Nguyen Van Troi Street, Ward 11, Phu Nhuan District, Ho Chi Minh City, Vietnam	
<b>Auditor</b>	PwC (Vietnam) Limited	

## **DFVN FIXED INCOME FUND**

### **STATEMENT OF THE RESPONSIBILITY OF THE FUND MANAGEMENT COMPANY IN RESPECT OF THE FINANCIAL STATEMENTS**

The Board of Executives of Dai-ichi Life Vietnam Fund Management Company Limited ("the Fund Management Company") is responsible for preparing the financial statements which give a true and fair view of the financial position and investment portfolio of DFVN Fixed Income Fund ("the Fund") as at 31 December 2022 and the results of its operations, changes in Net Asset Value, subscriptions and redemptions of Fund units and cash flows for the year ended. In preparing these financial statements, the Board of Executives of the Fund Management Company is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Fund will continue in business.

Board of Executives of the Fund Management Company is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position and the investment portfolio of the Fund and which enable the financial statements to be prepared which comply with the basis of accounting set out in Note 4 to the financial statements. Board of Executives of the Fund Management Company is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other errors.

## DFVN FIXED INCOME FUND

### APPROVAL OF THE FINANCIAL STATEMENTS BY THE BOARD OF REPRESENTATIVES

We hereby approve the accompanying financial statements set out on pages from 17 to 54 which give a true and fair view of the financial position and the investment portfolio of the Fund as at 31 December 2022 and of the results of its operations, changes in Net Asset Value, subscriptions and redemptions of Fund units and cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable for open-ended funds including Circular 198/2012/TT-BTC issued by the Ministry of Finance on 15 November 2012 on the promulgation of accounting system for open-ended funds, Circular 181/2015/TT-BTC issued by the Ministry of Finance on 13 November 2015 on the promulgation of accounting system for exchange-traded funds, Circular 98/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020 on providing guidance on operation and management of securities investment funds ("Circular 98/2020/TT-BTC") and prevailing regulations on preparation and presentation of financial statements applicable to open-ended funds.

On behalf of the Board of Representatives

A handwritten signature in blue ink, appearing to read 'Do Hung Viet', is written over a horizontal line.

Do Hung Viet  
Chairperson

Ho Chi Minh City, Vietnam  
14 March 2023

## DFVN FIXED INCOME FUND

### REPORT OF THE FUND MANAGEMENT COMPANY

#### 1 GENERAL INFORMATION OF DFVN FIXED INCOME FUND ("THE FUND")

##### 1.1 Objectives of the Fund

DFVN Fixed Income Fund aims to achieve sustainable growth in the medium and long term through investments in fixed assets of good credit quality.

##### 1.2 Performance result of the Fund

According to the audited financial statements of the Fund for the period from 01 Jan 2022 to 31 Dec 2022, the change in net asset value ("NAV") of the Fund increased 0.57% compared to the Fund's initial capital contribution.

##### 1.3 The Fund's investment strategy and policy

*Investment strategy:*

The Fund aims to develop a portfolio of T-bills, bonds and other fixed-income instruments with the proportion of investments in these assets accounting from eighty percent (80%) Net Asset Value.

*The investable assets of the Fund:*

- Term deposits at commercial banks in accordance with the Laws on banking;
- Money market instruments include valuable paper, negotiable instrument in accordance with the relevant Laws;
- Government debt instruments, Government guaranteed bonds, municipal bonds;
- Listed shares, shares registered for trading, listed bonds listed on the Stock exchange, public Fund unit;
- Shares initially offered to the public, bonds offered to the public; corporate bonds privately placed by listed organizations with payment guarantee by credit institutions or with the issuer's commitment to repurchase at least 30% of the value of the bond offering at least once every 12 months. In case of investments in these assets at this point; there are following conditions to be satisfied;
- The Board of Representatives has provided written consent to the types and code of the securities, the quantity and value of the transaction, and the time for implementation;
- There is adequate proof that payment guarantee is provided by credit institutions or commitment to buy back from issuer;
- Derivatives listed on SE and used for prevention of risks to underlying securities held by the fund;
- The rights that may arise in connection with securities being held by the Fund.

##### 1.4 Classification of the Fund

The Fund is an open-ended public investment fund.

##### 1.5 Life of the Fund

The Fund has an indefinite life.

## **DFVN FIXED INCOME FUND**

### **REPORT OF THE FUND MANAGEMENT COMPANY (continued)**

#### **1 GENERAL INFORMATION OF DFVN FIXED INCOME FUND (continued)**

##### **1.6 Short-term risk**

The Fund is exposed to low risk in the short term.

##### **1.7 Inception of the Fund**

The Fund has been operating since 4 February 2021.

##### **1.8 Size of the Fund at reporting date**

As of 31 December 2022, the number of Fund units in circulation is 6,223,320.66 units, equivalent to the scale of the Fund at par value is VND62,233,206,600.

##### **1.9 Benchmark index of the Fund**

The Fund has no benchmark index.

##### **1.10 Profit distribution policy of the Fund**

As mentioned in the Prospectus, the main objective of the Fund is to invest in equity and focus on capital growth in the medium and long term. Therefore, the Fund has limited dividend. The distribution of profits (if any) will be based on the audited financial statements of the Fund within the framework of the law, as proposed by the Fund Management Company, approved by the Fund's Board of Representatives and approved by the General Meeting of Investors. The Fund's distribution of the profits shall comply with the following rules:

- Profits distributed to the Investors are derived from the profits earned in the period or accumulated profits after the Fund has fulfilled its tax liabilities and other financial obligations as prescribed by the Laws;
- The rate of profits distributed must be conformable with the Fund's profit distribution policy specified in the Fund Charter and approved by the General Meeting of Investors;
- After profits are distributed, the Fund is still able to fully pay its debts and other liabilities when they are due, and the Fund's Net Asset Value shall not be lower than VND fifty (50) billion;
- If profits are distributed in the Fund units, the Fund must have sufficient counterpart funds from its undistributed after-tax profits according to the latest audited or reviewed financial statements.

The Fund dividends may be paid in cash or in the Fund units. The distribution of profits in Fund Units must be approved by the General Meeting of Investors in advance or the Fund's Board of Representatives (if the latest General Meeting of Investors has authorized to the Fund's Board of Representative). Only the Investors named on the list of Investors holding the Fund Unit at the recorded date will receive dividends from the Fund.

The Fund Management Company must deduct all taxes, fees and charges in accordance with the law before distributing profits to the Investors.

The Fund Management Company is allowed to distribute the Fund's assets to the Investors more than the realized profit, but must ensure that the Fund's Net Asset Value after implementation is not lower than VND fifty (50) billion. The plan, implementation roadmap, size of assets to be distributed, capital for implementation must be approved by the General Meeting of Investors.

##### **1.11 Net profits attributed per Fund unit as of reporting date**

The Fund has not distributed its profits to unit holders.

# DFVN FIXED INCOME FUND

## REPORT OF THE FUND MANAGEMENT COMPANY (continued)

### 2 PERFORMANCE RESULTS

#### 2.1. Asset allocation

	As at 31.12.2022 %	As at 31.12.2021 %
1. Debt security	38.56	9.49
2. Cash and cash equivalents	3.10	41.58
3. Other assets	58.34	48.93
	<u>100.00</u>	<u>100.00</u>

#### 2.2 Performance indicators

	As at 31.12.2022	As at 31.12.2021
1. Net asset value of the Fund (VND)	63,434,389,971	63,074,823,316
2. Number of Fund units outstanding (units)	6,223,320.66	6,239,853.68
3. Net asset value per Fund unit (VND)	10,193.01	10,108.38
4. Net asset value per Fund unit – highest during the period (VND)	10,354.10	10,108.38
5. Net asset value per Fund unit – lowest during the period (VND)	10,061.64	9,982.19
6. Closing price of Fund unit at reporting date (VND)	Not applicable	Not applicable
7. Closing price of Fund unit at reporting date – highest during the period (VND)	Not applicable	Not applicable
8. Closing price of Fund unit at reporting date – lowest during the period (VND)	Not applicable	Not applicable
9. Total growth per Fund unit (%)	0.84	1.08
9.1. Capital growth per Fund unit (due to price change) (%)	Not applicable	Not applicable
9.2. Income growth per Fund unit (calculated using realised income) (%)	Not applicable	Not applicable
10. Gross distributed earning per unit (VND)	Not applicable	Not applicable
11. Net distributed earning per unit (VND)	Not applicable	Not applicable
12. Ex-date of distribution	Not applicable	Not applicable
13. Operation expenses/Average NAV (%)	2.27	2.57
14. Turnover of investment portfolio (%)	16.19	5.32

#### 2.3 Growth by years

Period	Growth of NAV per Fund unit (%)	Annual growth of NAV per Fund unit (%)
1 year	0.84	0.84
From establishment date	1.93	1.01

#### 2.4. Annual growth

Period	From 31.12.2021 to 31.12.2022
Growth per Fund unit (%)	0.84

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

**3 MARKET UPDATES**

The 2022 is considered as an uncertainty year for the global economy. Difficulties are forecasted to be bigger and tougher. It is possible to lead lots of countries in the world into recession. The Ukraine-Russia war has contributed a severe impact to global trade, supply chains disrupted, shortages of essential goods such as food, gas, and pushing commodity prices surged. Besides, China's Zero-Covid policy exacerbated difficulties to global trade. Inflation in the US and Europe increased sharply, nearing double digits, prompting these countries to accelerate the progress of tightening and raising interest rates.

Regarding the domestic environment, the Government has requested to open the economy after the epidemic. The Government issued Resolution 11/NQ-CP dated January 30, 2022 on the socio-economic recovery and development programme and implemented Resolution No. 43/2022/QH15 of the National Assembly on fiscal and monetary policy in 2 years 2022-2023. Promote disbursement of public investment with key infrastructure projects as driven for socio-economic development. These policies have brought effectiveness and created a driving force for economic recovery. Socio-economic in 2022 has achieved many positive results as almost sectors have been recovered and growth back on track

In that general context, Vietnam's macroeconomy was supposedly stable and well recovered, Moody has upgraded Vietnam to Ba2 - stable outlook from Ba3 - positive outlook in Sep 2022. The gross domestic product ("GDP") in 2022 grew by 8.02% yoy, recording the highest level in the last ten years. However, it should be noted that the growth rate of the fourth quarter of 2022 has no longer maintained the momentum as the first three quarters of the year when it only reached 5.92% over the same period last year. In term foreign trading, the total import and export turnover in 2022 reached USD 732.5 billion, increase 9.5% yoy, of which exports value reached USD 371.8 billion, up 10.6% comparing to 2021; imports value reached USD 360.6 billion, up 8.4%; net trade surplus USD 11.2 billion (comparing USD 3.3 bn of 2021). Purchasing Managers' Index ("PMI") marked upper 50 in 13 months continuously until Oct 2022, but PMI of last 2 months dipped down under benchmark. PMI of December 2022 dropped to 46.4. PMI in Dec 2022 shows that business conditions are facing to headwinds as the input production costs as well as the shortage of orders are increasing pressure. The foreign direct investment ("FDI") accumulated full year 2022 is relatively stable when disbursed capital increased by 13.5% to reach 22.4 billion USD, while registered capital decreased slightly by 11 % over last year reached 27.7 billion USD. Regarding inflation, despite commodity prices rocketed, such as petrol, food, education service, Vietnam's inflation has been controlled quite well, below the Government's target of 4% (average CPI in 2022 marked at 3.15% compared to 2021).

## DFVN FIXED INCOME FUND

### REPORT OF THE FUND MANAGEMENT COMPANY (continued)

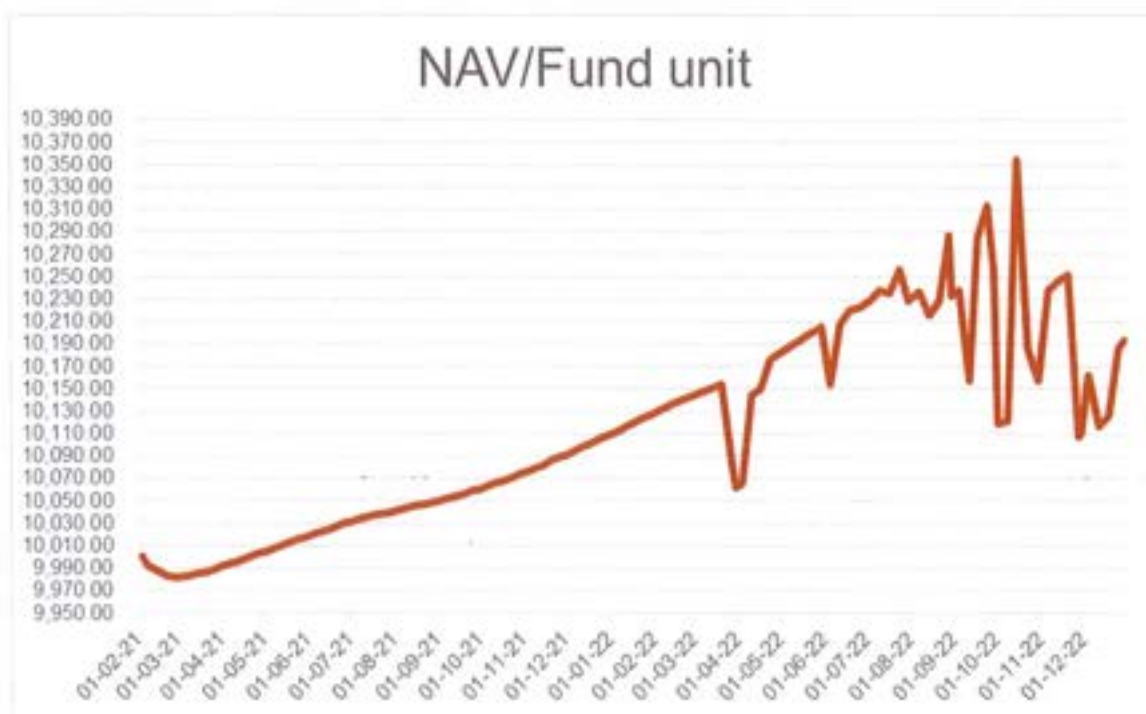
#### 4 DETAILS OF THE FUND'S PERFORMANCE RESULTS

##### 4.1. Details of the Fund's performance indicators

Item	1 year to reporting date (%)	From inception to reporting date (%)
Income growth per Fund unit	Not applicable	Not applicable
Capital growth per Fund unit	Not applicable	Not applicable
Total growth per Fund unit	0.84	1.93
Annual growth per Fund unit	0.84	1.01
Growth of component portfolio (*)	Not applicable	Not applicable
Price change per Fund unit (**)	Not applicable	Not applicable

(\*) The Fund does not have component portfolio.

(\*\*) The Fund does not have market price.



Changes in net asset value:

Item	31.12.2022 VND	31.12.2021 VND	Change %
Net asset value (NAV)	63,434,389,971	63,074,823,316	0.57
Net asset value (NAV) per Fund unit	10,193.01	10,108.38	0.84

## DFVN FIXED INCOME FUND

### REPORT OF THE FUND MANAGEMENT COMPANY (continued)

#### 4 DETAILS OF THE FUND'S PERFORMANCE RESULTS (continued)

##### 4.2. Investors analysis as at reporting date

Number of units	Number of unitholders	Number of Fund units	Holding rate (%)
Under 5,000	475	148,528.77	2.39
From 5,000 to lower than 10,000	2	11,550.90	0.19
From 10,000 to lower than 50,000	3	63,240.99	1.02
From 500,000	1	6,000,000.00	96.41
<b>Total</b>	<b>481</b>	<b>6,223,320.66</b>	<b>100.00</b>

##### 4.3 Hidden costs and discounts

The Fund did not have hidden cost. All of fund expense are specified in Fund charter and Prospectus.

#### 5 MARKET PROSPECTS

In 2022, the Government has set a target to accelerate disbursement of public investment, and this is also an important driving force to boost the economy and support the post-pandemic recovery period. In the context of declining international capital for investment and development, especially ODA, domestic mobilized capital will continue to play an important role and the pressure to issue government bonds is huge.

Government bond market plays a key role in the bond market; and is an important channel of capital mobilization for the needs of State budget capital and disbursement of public investment. Total outstanding of listed Government bonds as of December 31 2022 reached VND 1,543 trillion, equivalent to 15% of GDP (Vietnam GDP was adjusted from 2021).

In addition, the State Bank is expected to continue operating monetary policy proactively and flexibly but maintaining low interest rates to support economic recovery. However, the trend of interest rates raising by global central banks in 2022 has been confirmed, in order to face with inflation rising pressure. This will affect to the interest rate level and made the Vietnamese government bond market becoming riskier by the year end of 2022, as well as continuing to 2023.

In term of the corporate bond market, after the booming period in 2020 - 2021, the private corporate bond market recorded a quietness for most of the period in 2022 with a sharp decrease in issuance volume and liquidity. As of December 2022, the total issuing volume was only reached VND255 trillion, decreased more than 60% to the same period in 2021. The total outstanding corporate bonds value by 2022 is VND1,300 trillion, equivalent to about 14% of GDP. The reason is that from the second half of 2022, the private corporate bond market witnessed a widespread psychological "shock" when investors witnessed the scandals at Tan Hoang Minh Group and Van Thinh Phat Group. Declining investors' confidence combined with the shortage of cash flows liquidity to repay the bonds value of the Issuer has made this market riskier.

New regulations on private bond issuance have been promulgated in the direction of controlling the purpose of issuance and the type of investors. State agencies are actively controlling this activity to help the market development healthier in the long term.

## REPORT OF THE FUND MANAGEMENT COMPANY (continued)

## 6 OTHER INFORMATION

*Board of Executives of the Fund Management Company*

<p><b>Mr Tran Chau Danh</b> Chief Executive Officer cum Chief Investment Officer</p>	<p><b>Qualification</b></p> <ul style="list-style-type: none"> <li>• Bachelor of International Trade, Foreign Trade University Ho Chi Minh City Campus;</li> <li>• Bachelor of Banking, Banking University of Ho Chi Minh City;</li> <li>• Master of Development Economics, Vietnam – Netherlands Project for MA in Development Economics;</li> <li>• CFA Charter-holder;</li> <li>• CMT Charter-holder;</li> <li>• Fund Management License issued by State Securities Commission.</li> </ul> <p><b>Working experience</b></p> <p>He has around 20 (twenty) years experience in Investment and Fund/ Portfolio Management in Vietnam. He has been exposed to the Vietnam stock market since its inception. Before joining the Company, he worked for Dai-ichi Vietnam Life Insurance Company Ltd. taking the role of Chief Investment Officer, and being in charge of investment activities and ALM since 2011. Before joining Dai-ichi Vietnam Life Insurance Company Ltd., he held senior positions in both local and international Fund Management Companies. Notably, he had been working over 7 (seven) years with Prudential Vietnam Fund Management Limited Liability Company (renamed as Eastspring Investments Fund Management Limited Liability Company).</p>
<p><b>Mr Masafumi Takeshita</b> Corporate Planning and Risk Management Assistant Director</p>	<p><b>Qualification</b></p> <ul style="list-style-type: none"> <li>• Master of Economics, Hitotsubashi University, Japan;</li> <li>• CMA level 2, Securities Analysts Association of Japan (SAAJ).</li> </ul> <p><b>Working experience</b></p> <p>He has around 10 (ten) years of experience working and researching in the field of finance, insurance and investment in foreign finance market. Prior to joining Dai-ichi Life Vietnam Fund Management Company Limited, he held more than 4 (four) years of experience in the senior position in charged of credit activities at Dai-ichi Life Insurance Japan, one of the leading and reputable insurance companies in Japan, headquartered in Tokyo. He used to work at the division of industry research of Mizuho Bank – Singapore branch.</p>

DFVN FIXED INCOME FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

6 OTHER INFORMATION (continued)

*Board of Executives of the Fund Management Company (continued)*

<p><b>Mr Dang Vi Thanh</b> Member of Management Executives holding title of Assistant Director, Head of Business Development</p>	<p><b>Qualification</b></p> <ul style="list-style-type: none"> <li>• Bachelor of Commerce Economics, University of Economics Ho Chi Minh City;</li> <li>• Bachelor of English, Open University Ho Chi Minh City;</li> <li>• Certificate of Fellowship, Life Management Institute (FLMI);</li> <li>• Fund Management License issued by State Securities Commission.</li> </ul> <p><b>Working experience</b> He has more than 15 (fifteen) years of finance, insurance and fund management experience including more than 10 (ten) years in management positions at leading fund management companies in Vietnam. Prior to joining Dai-ichi Life Vietnam Fund Management Company Limited, he was the Head of Sales and Marketing at Manulife Vietnam Fund Management Company Limited and then held the position of Sales Manager, Individual customers of VinaCapital Fund Management JSC (formerly known as VinaWealth). He has extensive experience in the open-ended fund market and contributes to the development of the open-ended fund market in Vietnam.</p>
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*Fund operating personnel*

<p><b>Ms Tran Thi Thu Ha</b> Investment Assistant Director</p>	<p><b>Qualification</b></p> <ul style="list-style-type: none"> <li>• Master of Banking Finance, University of Applied Sciences of Northwestern Switzerland;</li> <li>• Bachelor of Business Administration, Ho Chi Minh City Open University;</li> <li>• Fund Management License issued by State Securities Commission.</li> </ul> <p><b>Working experience</b> She has more than 15 working years in the sector of finance, in which more than 10 years in the sector of investment analysis about the fixed income assets of Dai-ichi Life Vietnam Insurance Company Ltd.. She joined Dai-ichi Life Vietnam Insurance Company Ltd. since 2010 and currently holds the position of Investment Assistant Director of Dai-ichi Life Vietnam Fund Management Company Ltd.. Prior to joining Dai-ichi Life Vietnam, she was in charged of the investment analysis, research at Indochina Land – a fund investing to the real estates in Vietnam.</p>
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DFVN FIXED INCOME FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

6 OTHER INFORMATION (continued)

*Fund operating personnel (continued)*

<b>Ms Khuat Thi Thu Hien</b> Securities trading (senior) officer	<p><b>Qualification</b></p> <ul style="list-style-type: none"> <li>• Bachelor of University of Economics Ho Chi Minh City, major in accounting, auditing;</li> <li>• CFA level 1;</li> <li>• Fund Management License issued by State Securities Commission.</li> </ul> <p><b>Working experience</b></p> <p>She has more than 11 working years in the sector of securities. In which more than 3 working years and held the position of securities trading (senior) officer of Dai-ichi Life Vietnam Fund Management Company Ltd., she has 8 working years at the Mirae Asset Securities (Vietnam), a securities company with foreign capital owned by Mirae Asset Securities (Hongkong), a member of Mirae Asset Financial Group.</p>
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*Board of Representatives*

<b>Mr Do Hung Viet</b> Chairperson	<p>He has more than 20 experience years in managerial positions in field of finance, securities and investment.</p> <p>He was the Chairman of Board Directors of Ho Chi Minh City Securities Corporation (HSC). He held position as Vice Chairman and General Director of Ho Chi Minh City Securities Corporation (HSC). Prior to joining HSC, he spent 4 years working as Fund Manager of HCMC Investment Fund for Urban Development (HIFU).</p>
<b>Mr Huynh Van Dung</b> Member	<p>He has more than 20 experience years working in the major of auditing and services in the field of auditing.</p> <p>He is currently Deputy General Director, Director of HCMC Branch of Vietnam Auditing and Evaluation Co., Ltd (VAE). He held as Director of An Viet auditing company and team leader of senior auditors of VACO – Deloitte JV.</p> <p>He has Certificate of CPA Vietnam, member of Vietnam Association of Certified Public Accountants (VACPA), member of Vietnam Association of Accountants and Auditors (VAA) and member of Vietnam Tax Consultants' Association (VTCA).</p>

DFVN FIXED INCOME FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

6 OTHER INFORMATION (continued)

*Board of Representatives (continued)*

<b>Mr Nguyen Gia Huy Chuong</b> Member	<p>He has 20 years of experience in corporate consulting, tax and real estate advisory. His work has primarily been in the areas of corporate consultancy, mergers and acquisitions, and spanning most industry sectors: real estate, hospitality, construction, fintech, family health care, food &amp; beverage (F&amp;B), port management, transport and telecommunications.</p> <p>Currently, he is acting as the Managing Partner of GV Lawyers, an international law firm lately established by a group of dedicated and experienced lawyers who have started and advanced their careers with the most prominent law firms in Viet Nam, the latest one in the list being Phuoc &amp; Partners. He has more than 10 consecutive years acting as the director and managing partner of Phuoc &amp; Partners.</p> <p>He has Master of Law majored in International Trade Law in the Bristol Law School – the UWE Bristol, UK; member of the Bar Association of Ho Chi Minh City; member of the Law Association for Asia and the Pacific.</p>
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For and on behalf of Dai-ichi Life Vietnam Fund Management Company Limited



**Mr Tran Chau Danh**  
Chief Executive Officer

Ho Chi Minh City, 14 March 2023

## REPORT OF THE SUPERVISORY BANK

HSBC Bank (Vietnam) Ltd ("HSBC"), appointed as the Supervising Bank of DFVN Fixed Income Fund ("DFVN-FIX" or "the Fund") for the year ended 31 December 2022, acknowledge that during the year, DFVN-FIX has been operated and managed with the following details:

- a) Dai-ichi Life Vietnam Fund Management Company Limited ("DFVN") has complied with investment restrictions of DFVN-FIX in accordance with prevailing securities regulatory documents about Open-ended fund, the Fund's Charter, applicable laws and regulations.
- b) Net asset value of DFVN-FIX is determined in line with the Fund's Charter, Prospectus and applicable laws and regulations;
- c) DFVN has procedures for Fund unit subscription and redemption which are determined in line with Fund charter, Fund prospectus and applicable laws and regulations;
- d) In this year, the Fund did not pay dividend to its investors; and
- e) DFVN complied with loan restrictions, trading restrictions which are stated in prevailing securities regulatory documents about Open-ended fund, Fund's Charter and applicable laws and regulations.

Ho Chi Minh City, 14 March 2023  
Representatives of the Supervisory Bank



Ms. Vo Hong Nhung  
Supervising Bank Manager

Ms Tran Thi Phuong Nhi  
Supervising Bank Officer



## **INDEPENDENT AUDITOR'S REPORT TO THE FUND UNIT HOLDERS OF DFVN FIXED INCOME FUND**

We have audited the accompanying financial statements of DFVN Fixed Income Fund (the "Fund") which were prepared on 31 December 2022 and approved by the Fund's Board of Representatives on 14 March 2023. The financial statements comprise the statement of income, the statement of changes in Net Asset Value, subscriptions and redemptions of Fund units, and the statement of cash flows for the year ended at 31 December 2022, the statement of financial position and the statement of investment portfolio as at 31 December 2022, and explanatory notes to the financial statements including significant accounting policies, as set out on pages 25 to 55.

### **Responsibility of Board of Executives of Dai-ichi Life Vietnam Fund Management Company Limited ("the Fund Management Company")**

The Board of Executives of the Fund Management Company is responsible for the preparation and the true and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to open-ended investment funds including Circular 198/2012/TT-BTC issued by the Ministry of Finance on 15 November 2012 on the promulgation of accounting system for open-ended investment funds ("Circular 198/2012/TT-BTC"), Circular 181/2015/TT-BTC issued by the Ministry of Finance on 13 November 2015 on the promulgation of accounting system for exchange-traded funds ("Circular 181/2015/TT-BTC"), Circular 98/2020/TT-BTC issued by Ministry of Finance on 16 November 2020 on providing guidance on operation and management of securities investment fund ("Circular 98/2020/TT-BTC") and prevailing regulations on preparation and presentation of financial statements applicable to open-ended investment funds and for such internal control which the Board of Executives determines is necessary to enable the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation and true 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 Fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Executives, 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.

#### Auditor's Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position and the investment portfolio of the Fund as at 31 December 2022, its financial performance, the statement of changes in Net Asset Value, subscriptions and redemptions of Fund units, and cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to open-ended funds comprising Circular 198/2012/TT-BTC, Circular 181/2015/TT-BTC, Circular 98/2020/TT-BTC and prevailing regulations on preparation and presentation of financial statements applicable to open-ended investment funds.

#### Other Matter

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

**For and on behalf of PwC (Vietnam) Limited**



Tran Thi Thanh Truc  
Audit Practising Licence No.  
3047-2019-006-1  
Authorised signatory



Tran Vi Cuong  
Audit Practising Licence No.  
4601-2023-006-1

Report reference number: HCM13010  
Ho Chi Minh City, 15 March 2023

**STATEMENT OF INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

		Note	For the period from 4.2.2021 (date of the Fund's establishment) to 31.12.2021 VND	For the year ended 31.12.2022 VND
Code	Items			
<b>01</b>	<b>I. INVESTMENT PROFIT AND OPERATING INCOME</b>			<b>1,957,940,169</b>
03	1.2. Interest income	5.1	2,118,133,284	3,450,102,058
04	1.4. Unrealised loss from revaluation of investments		-	(1,492,600,000)
06	1.5. Other operating income		4,016,970	438,111
<b>10</b>	<b>II. INVESTMENT EXPENSES</b>		-	<b>(2,455,944)</b>
11	2.1. Transaction costs from purchases and sales of investments		-	(2,455,944)
<b>20</b>	<b>III. OPERATING EXPENSES</b>		<b>(1,446,112,847)</b>	<b>(1,432,733,670)</b>
20.1	3.1. Fund management fee	8(a)(i)	(507,245,475)	(569,075,000)
20.2	3.2. Custodian fees	8(a)(ii)	(228,899,989)	(252,395,147)
20.3	3.3. Supervising fee	8(a)(ii)	(95,857,159)	(105,600,015)
20.4	3.4. Fund administration fee	8(a)(ii)	(182,241,362)	(126,677,431)
20.5	3.5. Transfer agency fee	8(a)(ii)	(190,901,549)	(130,891,795)
20.8	3.8. Audit fee		(130,000,000)	(132,236,982)
20.10	3.10. Other operating expenses	5.2	(110,967,313)	(115,857,300)
<b>23</b>	<b>IV. PROFIT FROM INVESTMENT ACTIVITIES</b>		<b>676,037,407</b>	<b>522,750,555</b>

The notes on pages from 25 to 55 are an integral part of these financial statements.

**STATEMENT OF INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**  
 (continued)

Code	Item	Note	For the year ended 31.12.2022 VND	For the period from 4.2.2021 (date of the Fund's establishment) to 31.12.2021 VND
24	V. NET OTHER INCOME AND EXPENSES		-	-
30	VI. PROFIT BEFORE BUSINESS INCOME TAX		522,750,555	676,037,407
31	6.1. Realised profit	6.7	2,015,350,555	676,037,407
32	6.2. Unrealised loss	6.7	(1,492,600,000)	-
40	VII. BUSINESS INCOME TAX ("BIT")		-	-
41	VIII. PROFIT AFTER BIT		522,750,555	676,037,407



Dai-ichi Life Vietnam Fund Management  
 Company Limited  
**Tran Chau Danh**  
 Chief Executive Officer

14 March 2023

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**Ho Thi Mai Phuong**  
 Officer  
 Fund Services Operations

Dai-ichi Life Vietnam Fund Management  
 Company Limited  
**Tran Thi Anh Tram**  
 Senior Manager  
 Fund Services Operations

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## STATEMENT OF FINANCIAL POSITION

Code	Item	Note	As at	
			31.12.2022 VND	31.12.2021 VND
<b>100</b>	<b>I. ASSETS</b>			
110	1. Cash and cash equivalents	6.1	1,975,666,606	26,311,577,557
	<i>In which:</i>			
111	1.1. Cash for Fund's operations		775,666,606	811,577,557
112	1.2. Term deposits with maturity within 3 months		1,200,000,000	25,500,000,000
120	2. Net investments	6.2	59,633,900,000	36,000,000,000
121	2.1. Investments		59,633,900,000	36,000,000,000
121.2	2.1.2 Bonds		24,533,900,000	6,000,000,000
121.4	2.1.4 Other investments		35,100,000,000	30,000,000,000
130	3. Receivables		2,022,615,618	962,756,026
133	3.2. Interest receivables		2,022,615,618	962,756,026
136	3.2.2 Interest receivables not yet due		2,022,615,618	962,756,026
<b>100</b>	<b>TOTAL ASSETS</b>		<b>63,632,182,224</b>	<b>63,274,333,583</b>
<b>300</b>	<b>II. LIABILITIES</b>			
314	4. Tax payables and obligations to the State Budget		166,998	528,454
316	6. Expense accruals	6.3	99,721,800	97,000,000
317	7. Subscription payables to unit holders	6.4	-	500,000
319	9. Fees payable to related service providers	6.5	97,903,455	101,481,813
<b>300</b>	<b>TOTAL LIABILITIES</b>		<b>197,792,253</b>	<b>199,510,267</b>

The notes on pages from 25 to 55 are an integral part of these financial statements.

## Form B 02 – QM

Code	Item	Note	As at	
			31.12.2022 VND	31.12.2021 VND
400	III. DISTRIBUTABLE NET ASSET VALUE TO THE FUND UNIT HOLDERS	6.6	63,434,389,971	63,074,823,316
411	1. Share capital		62,233,206,600	62,398,536,800
412	1.1. Subscription capital		65,219,914,800	63,910,719,300
413	1.2. Redemption capital		(2,986,708,200)	(1,512,182,500)
414	2. Share premium		2,395,409	249,109
420	3. Undistributed profits	6.7	1,198,787,962	676,037,407
430	IV. NET ASSET VALUE PER FUND UNIT	6.6	<u>10,193.01</u>	<u>10,108.38</u>
440	V. DISTRIBUTED EARNINGS TO INVESTORS		<u>-</u>	<u>-</u>
	VI. OFF- BALANCE SHEET ITEMS			
004	4. Number of outstanding Fund units	6.6	<u>6,223,320.66</u>	<u>6,239,853.68</u>

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Fund Services Operations

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STATEMENT OF CHANGES IN NET ASSET VALUE,  
SUBSCRIPTIONS AND REDEMPTIONS OF FUND UNITS  
FOR THE YEAR ENDED 31 DECEMBER 2022

No.	Items	For the year ended 31.12.2022 VND	For the period from 4.2.2021 (date of the Fund's establishment) to 31.12.2021 VND
I	Net Asset Value ("NAV") at the beginning of the year/period	63,074,823,316	-
II	Changes in NAV for the year/period	522,750,555	676,037,407
	<i>In which:</i>		
II.1	Changes in Net Asset Value due to market fluctuation and the Fund's operations	522,750,555	676,037,407
III	Changes in Net Asset Value due to subscriptions, redemptions of Fund Units	(163,183,900)	62,398,785,909
	<i>In which:</i>		
III.1	Receipts from subscriptions	1,333,550,457	63,920,302,923
III.2	Payments for redemptions	(1,496,734,357)	(1,521,517,014)
IV	Net Asset Value at the end of the year/period	63,434,389,971	63,074,823,316
V	Net Asset Value per Fund unit at the end of the year/period	10,193.01	10,108.38



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STATEMENT OF INVESTMENT PORTFOLIO  
AS AT 31 DECEMBER 2022

No		Quantity	Market price as at 31.12.2022 VND	Total value as at 31.12.2022 VND	Percentage of total assets %
<b>III</b>	<b>Listed bonds</b>				
1	BID121028	60,000	95,450	5,727,000,000	9.00
2	LPB122010	100,000	93,979	9,397,900,000	14.77
3	CTG121030	100,000	94,090	9,409,000,000	14.79
				<b>24,533,900,000</b>	<b>38.56</b>
<b>V</b>	<b>Other assets</b>				
1	Net interest receivables from investments			2,022,615,618	3.18
2	Term deposits with maturity of over than three (3) months			35,100,000,000	55.16
				<b>37,122,615,618</b>	<b>58.34</b>
<b>VI</b>	<b>Cash</b>				
1	Cash at banks			775,666,606	1.22
2	Term deposits with maturity under three (03) months			1,200,000,000	1.88
				<b>1,975,666,606</b>	<b>3.10</b>
<b>VII</b>	<b>Total value of portfolio</b>			<b>63,632,182,224</b>	<b>100.00</b>



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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**  
 (Indirect method)

Code	Item	Note	For the year	For the period
			ended 31.12.2022 VND	from 4.2.2021 (date of the Fund's establishment) to 31.12.2021 VND
	<b>I. Cash flow from investing activities</b>			
01	1. Profit before income tax		522,750,555	676,037,407
02	2. Adjustments for:			
03	Unrealised loss from revaluation of investments		1,492,600,000	
04	Increase in accrued expenses		2,721,800	97,000,000
05	3. Profit from investing activities before changes in working capital		2,018,072,355	773,037,407
20	Increase in investments		(25,126,500,000)	(36,000,000,000)
07	Increase in interest receivables		(1,059,859,592)	(962,756,026)
13	(Decrease)/increase in tax payables and obligations to the State Budget		(361,456)	528,454
14	(Decrease)/increase in subscriptions payable to unitholders		(500,000)	500,000
17	(Decrease)/increase in fees payable to related service providers		(3,578,358)	101,481,813
19	Net cash outflow for investing activities		(24,172,727,051)	(36,087,208,352)
	<b>II. Cash flow from financing activities</b>			
31	1. Receipts from subscriptions	6.6	1,333,550,457	63,920,302,923
32	2. Payments for redemptions	6.6	(1,496,734,357)	(1,521,517,014)
30	Net cash (outflow)/inflow from financing activities		(163,183,900)	62,398,785,909
40	<b>III. Net (decrease)/increase in cash in the year/period</b>		<b>(24,335,910,951)</b>	<b>26,311,577,557</b>

The notes on pages from 25 to 55 are an integral part of these financial statements.

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**  
 (Indirect method)  
 (continued)


Code	Item	Note	For the year ended 31.12.2022 VND	For the period from 4.2.2021 (date of the Fund's establishment) to 31.12.2021 VND
50	IV. Cash and cash equivalents at the beginning of the year/period	6.1	26,311,577,557	-
52	Cash at bank and cash equivalents for the Fund's operations		26,311,077,557	-
53	Cash at bank for subscriptions		500,000	-
55	V. Cash and cash equivalents at the end of the year/period	6.1	1,975,666,606	26,311,577,557
57	Cash at bank for the Fund's operations		1,975,666,606	26,311,077,557
58	Cash at bank for the subscription		-	500,000
60	VI. Changes in cash and cash equivalents in the year/period		(24,335,910,951)	26,311,577,557



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**1 GENERAL INFORMATION OF DFVN FIXED INCOME FUND**

**1.1 Licence for Fund Certificate Public Offering and Registration Certificate for Open-ended fund establishment**

DFVN Fixed Income Fund ("the Fund") was established as a public open-ended fund under Establishment Registration Certificate No. 02/GCN-UBCK ("the ERC") issued by the State Securities Commission ("the SSC") on 4 February 2021. The charter capital of the Fund as stipulated in the ERC is VND60,173,500,000, equivalent to 6,017,350 fund units. The Fund operates in compliance with the Fund Charter issued on 22 April 2021. The Fund has an indefinite life.

The Fund units were issued to the public for the first time pursuant to Initial Public Offering Certificate No. 238/GCN-UCK issued by the SSC on 20 October 2020. According to this certificate, the Fund is authorised to raise a minimum of VND50,000,000,000 from the public with a par value of VND10,000 per fund unit.

The Fund units are issued and redeemed through distributors.

The Fund has no employees and is managed by Dai-ichi Life Vietnam Fund Management Company Limited (the "Fund Management Company"). HSBC Bank (Vietnam) Limited has been appointed as the supervising bank and custodian bank of the Fund.

**1.2 General information of the Fund's operations**

***Size of the Fund***

Pursuant to the Establishment registration certificate, the Fund's charter capital is VND60,173,500,000.

The Fund's capital is based on the actual contribution of the unitholders presented in Note 6.6.

***Investment objective***

The Fund aims to achieve sustainable growth in the medium and long term through investments in fixed assets of good credit quality. The Fund's objectives might change from time to time depends on the market conditions and the decision of Investors' General Meeting or the Board of Representatives to maximise its profits for investors under the compliance with prevailing laws and regulations.

***Frequency of Net Asset Value (NAV) valuation***

The Fund's NAV is determined on a weekly and a monthly basis. The weekly valuation date is the Tuesday. In case where the weekly valuation date falls on holidays of the Vietnam stock market, or the trading suspension date at the Stock Exchange under any decision of the Government Authorities (it depends on the Fund Management Company's discretion), the weekly valuation date is the business working Tuesday in the following week. The monthly valuation date is the first day of the following month. Should the Fund Management Company change the valuation date, the Fund Management Company must obtain the approval from the Board of Representatives (the "BoR") before making any changes.

***Method of net asset value valuation***

The Fund's net asset value is calculated at total assets less its liabilities as at the valuation date. Total value of Fund's assets is measured at their market value or fair value (in case where market value is not available). Total liabilities are debts and payment obligations of the Fund as at the date prior to the valuation date.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**1 GENERAL INFORMATION OF DFVN FIXED INCOME FUND (continued)**

**1.2 General information of the Fund's operations (continued)**

***Method of net asset value valuation (continued)***

NAV per fund unit is calculated by dividing the total net asset value of the Fund by the number of outstanding units at the date prior to the valuation date.

NAV per fund unit shall be rounded to two (2) decimal places.

***Valuation methodology for NAV calculation***

NAV calculation methodology is regulated in accordance with the methodology in the Valuation Manual regulated in the Fund's Charter and Circular 98/2020/TT-BTC issued by the Ministry of Finance. Details are as follows:

No	Type of investment assets	Valuation methodology
<b>Cash and cash equivalent, money market instruments</b>		
1	Cash (VND)	• Cash balance on the date prior to the valuation date
2	Foreign currencies	• Value of the amounts in foreign currencies converted into VND on the date prior to the valuation date at the prevailing exchange rates applied by credit institutions permitted to trade foreign currencies.
3	Deposits with fixed terms	• Value of the deposits plus outstanding interest accrued thereon calculated up to the date before the valuation date.
4	Treasury bills, bank notes, bills of exchange, transferable certificates of deposit, bonds and discounted money market instruments	• Purchase price plus accumulative interest calculated up to the day preceding the valuation date.
5	Non-interest financial instruments including bills, bonds, valuable papers and other non-interest financial instruments	• The listed price in the Stock Exchange; in case where there is no available listed price, the price is determined as the discounted cash flow of the historical cost on winning bidding interest rate or other interest rate approved by BoR and holding period of the financial instruments.
<b>Bonds</b>		
6	Listed bonds	<ul style="list-style-type: none"> <li>• Average of quoted price (or other similar terms upon Stock Exchanges' rules) of the latest trading date prior to the valuation date plus accumulative interest (if the listed price excluding accumulative interest).</li> <li>• In case where there is no trading transaction over fifteen (15) days up to the valuation date, the bond price is determined as following: <ul style="list-style-type: none"> <li>- Purchased price plus accumulative interest; or</li> <li>- Par value plus accumulative interest; or</li> <li>- Valuation methodology approved by BoR</li> </ul> </li> <li>• The fair value of the bond using appropriate valuation technique as detail in the Valuation Manual that approved by the BoR.</li> </ul>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**1 GENERAL INFORMATION OF DFVN FIXED INCOME FUND (continued)**

**1.2 General information of the Fund's operations (continued)**

*Valuation methodology for NAV calculation (continued)*

No	Type of investment assets	Valuation methodology
<b>Bonds (continued)</b>		
7	Unlisted bonds	<ul style="list-style-type: none"> <li>Quoted price (clean price) on quotation systems on the latest trading day prior to the valuation date, plus accrued interest; or</li> <li>Purchased price plus accumulative interest; or</li> <li>Par value plus accumulative interest; or</li> <li>Valuation methodology approved by BoR.</li> <li>The fair value of the bond using appropriate valuation technique as detail in the Valuation Manual that approved by BoR.</li> </ul>
<b>Shares</b>		
8	<p>Listed shares on the Stock Exchange</p> <p>The registered shares of public interest entities on the UpCom</p>	<ul style="list-style-type: none"> <li>The market price is the closing price (or other similar terms upon the Stock Exchange's rules) of the most recent trading date prior to the valuation date;</li> <li>In case where there is no trading transaction over fifteen (15) days up to the valuation date, the share price is determined as following: <ul style="list-style-type: none"> <li>Book value; or</li> <li>Purchased price; or</li> <li>Valuation methodology approved by BoR.</li> </ul> </li> </ul>
9	Shares which are suspended from trading, delisted or deregistered for trading:	<ul style="list-style-type: none"> <li>The share price is determined as following: <ul style="list-style-type: none"> <li>Book value; or</li> <li>Par value; or</li> <li>Valuation methodology approved by BoR.</li> </ul> </li> </ul>
10	Shares of organizations that are in dissolution or bankruptcy	<ul style="list-style-type: none"> <li>The share price is determined as following: <ul style="list-style-type: none"> <li>80% of liquidating value on the most recent available Balance Sheet prior to valuation date; or</li> <li>Valuation methodology approved by BoR.</li> </ul> </li> </ul>
11	Stocks and other contributed capital	<ul style="list-style-type: none"> <li>The market price is the average price of successful trading transactions at the most recent trading date prior to the valuation date from the securities pricing service providers.</li> <li>In case of no quoted prices from securities pricing service providers, the price is determined as following: <ul style="list-style-type: none"> <li>Book value; or</li> <li>Purchased price/ the value of contributed capital; or</li> <li>Valuation methodology approved by BoR.</li> </ul> </li> </ul>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**1 GENERAL INFORMATION OF DFVN FIXED INCOME FUND (continued)**

**1.2 General information of the Fund's operations (continued)**

*Valuation methodology for NAV calculation (continued)*

No	Type of investment assets	Valuation methodology
<b>Derivatives</b>		
12	Listed derivatives	<ul style="list-style-type: none"> <li>The closing price (or other similar terms of the Stock Exchange's rules) at the most recent trading date prior to the valuation date.</li> </ul>
13	Listed derivatives with no transactions over fifteen (15) days up to the valuation date	<ul style="list-style-type: none"> <li>The price is determined as the approved valuation methodology by the BoR.</li> </ul>
<b>Other investment assets</b>		
14	Other investment assets	<ul style="list-style-type: none"> <li>The average price of successful transactions at the most recent trading date prior to the valuation date from securities pricing service providers. There is no available quoted price, the price is determined as the approved valuation methodology by the BoR.</li> </ul>

***Frequency of subscriptions and redemptions of Fund units***

The fund units are subscribed and redeemed once a week on every Tuesday. The increase in frequency of trading fund units shall be publicly announced, updated in the Fund's Prospectus, Investors' General Meeting and amended in the Fund's Charter, notified to Supervising Bank and on the public media as regulatory requirements. The decrease in frequency of trading fund units shall be approved by the Investors' General Meeting and not fewer than twice a month.

In case where the fund unit trading date falls on holidays of the Vietnam stock market, or the trading suspension date at the Stock Exchange under any decision of the Government Authorities (it depends on the Fund Management Company's discretion), the weekly valuation date is the business working Tuesday in the following week.

***Distribution of earnings***

The Fund distributes its profit in accordance with the Fund's Charter.

***Investment restrictions***

The Fund's investment portfolio and its restrictions must comply with the investment objectives and investment policies as stipulated in the Fund Charter and the Fund's Prospectus.

The Fund's investments must comply with the following regulations:

- a) The Fund does not invest more than twenty percent (20%) of the Fund's total assets in outstanding securities of a single issuer, term deposits at commercial bank stipulated by prevailing Laws, money market instruments including valuable papers and transferable instruments following prevailing legislation, except for government debt instruments;

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**1 GENERAL INFORMATION OF DFVN FIXED INCOME FUND (continued)**

**1.2 General information of the Fund's operations (continued)**

***Investment restrictions (continued)***

- b) The Fund does not invest more than thirty percent (30%) of the Fund's total assets in term deposits at commercial banks stipulated by prevailing banking Laws; money market instruments including valuable papers and transferable instruments following prevailing legislation; listed shares, registered shares for trading, listed bonds in the Stock Exchange; open-ended fund units, initial public offering shares; public offering bonds; corporate bonds issued privately by the listed organisations who are guaranteed by credit institutions or commitment to repurchase from the issuer at least one (01) time in twelve (12) months and each time commits to repurchase at least thirty percent (30%) of the value of the issuance; derivatives on the Stock Exchange and only for the purpose of risk preserving for underlying securities and options that the Fund is holding, issued by the companies or a group of related companies: parent and subsidiary companies, companies holding over thirty-five percent (35%) of shares and capital contributions; group of subsidiaries under the same parent company, in which derivative investment is the contractual value as defined in Appendix No 14 together issued with Circular 98/2020/TT-BTC;
- c) The Fund does not invest in more than ten percent (10%) of the total value of outstanding securities of an issuer, except for government bonds;
- d) The Fund does not invest more than ten percent (10%) of the Fund's total assets in shares offered for the initial public offering, bonds offered to the public; corporate bonds issued privately by the listed organisations who are guaranteed by credit institutions or commitment to repurchase from the issuer at least one (01) time in twelve (12) months and each time commits to repurchase at least thirty percent (30%) of the value of the issuance;
- e) At any time, total commitment value of securities derivatives transactions, borrowings and payables of the Fund must not exceed NAV of the Fund;
- f) The Fund is not allowed to invest in its own certificates, securities investment funds, shares of public interest securities companies established and operating by the Fund Management Company;
- g) The Fund is only allowed to invest in other open-ended funds' certificates, shares of public interest securities companies established and operating by the other fund management company and ensure the restrictions as follows:
  - The Fund does not invest in more than ten percent (10%) total available fund units of an open-ended fund and available shares of a public interest securities company;
  - The Fund does not invest more than twenty percent (20%) total Fund's assets into an open-ended fund and shares of a public interest securities company;
  - The Fund does not invest more than thirty percent (30%) total Fund's assets into open-ended funds and shares of public interest securities companies;
- h) The Fund is not allowed to invest in real estate, valuable stone, valuable metals.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**1 GENERAL INFORMATION OF DFVN FIXED INCOME FUND (continued)**

**1.2 General information of the Fund's operations (continued)**

***Investment restrictions (continued)***

Except as stated in points (a), (b), (c), (d) and (g) as above, the Fund's investment structure is allowed to deviate only for the following reasons:

- (i) Fluctuations in the market value of the assets in the Fund's investment portfolio;
- (ii) Making payments of the Fund legally in accordance with the law, including the execution of trading orders of investors;
- (iii) Splitting merging, consolidation, and acquisition of issuing organisation;
- (iv) New fund licensed for establishment or fund split, consolidation, merging with operating duration not exceeding six (06) months, from the date of the Fund's Establishment Registration Certificate or amendment of registration certificate for fund's establishment; and
- (v) The Fund is in liquidation process.

The Fund Management Company has the obligation to notify the SSC, public and amend investment portfolio which satisfies the investment restrictions of the Fund's Charter within three (3) months, from the date that the incompliance with point (a), (b), (c) and (d) above occurs.

In case where the incompliance is from the Fund Management Company, the Fund Management Company has a responsibility to amend the investment portfolio within fifteen (15) days, from the incompilant event date. The Fund Management Company has to compensate to the Fund for any lost (if any) and bears any expenses relating to investment portfolio amendment. If there is any profit, it must be recognized immediately.

Within five (5) business working date from the date that the investment portfolio amendment is completed, the Fund Management Company has to announce the information as regulatory requirements, notify to the SSC for the amendment, the reason, event date, lost occurs, compensations to the Fund (if any) or any profit earned (if any), remedial actions, timeline and remedial results.

The Fund Management Company is only allowed to invest in term deposits at commercial banks stipulated by prevailing banking regulations; money market instruments including valuable papers and other transferable instruments following prevailing legislation; at credit institutions approved by the Board of Representatives.

**2 FISCAL YEAR AND CURRENCY**

**2.1 Fiscal year**

The first financial statements of the Fund are the financial statements which prepared for the period from 4 February 2021 (date of Fund's establishment) to 31 December 2021.

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

The financial statements prepared for year ended from 1 January 2022 to 31 December 2022.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**2 FISCAL YEAR AND CURRENCY (continued)**

**2.2 Currency**

The financial statements are measured and presented in Vietnamese Dong ("VND").

The Fund's accounting currency is determined as the currency primarily used in securities trading which significant influences transacted prices and settled amounts. In addition, the Fund's financing activities such as subscriptions and redemptions of fund units are also denominated in its accounting currency.

**3 ACCOUNTING STANDARDS AND REPORTING FRAMEWORK APPLIED**

**3.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, Vietnamese accounting regulations and other relevant regulations applicable for open-ended investment funds including Circular 98/2012/TT-BTC issued by the Ministry of Finance on 15 November 2012 on the promulgation of accounting system for open-ended investment funds ("Circular 98/2012/TT-BTC"), Circular 181/2015/TT-BTC issued by the Ministry of Finance on 13 November 2015 on the promulgation of accounting system for exchange-traded funds and open-ended investment funds ("Circular 181/2015/TT-BTC"), Circular 98/2020/TT-BTC issued by Ministry of Finance on 16 November 2020 on providing guidance on operation and management of securities investment fund ("Circular 98/2020/TT-BTC") and prevailing regulations on preparation and presentation of financial statements applicable to open-ended investment funds.

The accompanying financial statements are not intended to present financial position and investment portfolio, results of operations, changes in Net Asset Value, subscriptions and redemptions of Fund units and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The financial statements in Vietnamese language are the official statutory financial statements of the Fund. The financial statements in English language have been translated from the Vietnamese language financial statements.

In accordance with Circular 98/2012/TT-BTC, the Fund's financial statements include the following reports:

1. Statement of income
2. Statement of financial position
3. Statement of changes in Net Asset Value, subscriptions and redemptions of Fund units
4. Statement of investment portfolio
5. Statement of cash flows
6. Notes to the financial statements

**3.2 Registered accounting documentation system**

The registered accounting documentation system is the General Journal system.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**4 SIGNIFICANT ACCOUNTING POLICIES**

**4.1 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank in current accounts used for the Fund's operations, cash of fund unit holders deposited for subscriptions and other short-term investments with the maturity within three (03) months, which are readily convertible to cash and subject to an insignificant risk of conversion.

**4.2 Investments**

***Classification***

The Fund classifies its investment in securities as held for trading.

***Recognition/de-recognition***

Purchases and sales of investments are recognised at trade date. Investments are derecognised when the right to receive cash flows from the investments has expired or the Fund has transferred substantially all risks and rewards of ownership of the investments.

The cost of securities classified as held for trading is determined by the weighted average method at the end of the trading date.

***Initial recognition and subsequent measurement***

Investments are initially recognised at the cost of acquisition and revalued as at the reporting date in accordance with Circular 198/2012/TT-BTC.

***Term deposits***

Term deposits are subsequently measured in accordance with Circular 198/2012/TT-BTC at principal amounts as of the reporting date.

Accumulated interest of term deposits is recognised as receivables in the statement of financial position and statement of investment portfolio at the reporting date.

***Listed Corporate bonds on securities exchanges***

The market price Average of quoted price (or other similar terms upon Stock Exchanges' rules) of the latest trading date prior to the valuation date plus accumulative interest (if the listed price excluding accumulative interest).

In case where there is no trading transaction over fifteen (15) days up to the valuation date, the bond price shall be prioritized as the following order:

- Price of the lasted reporting cycle but not over 3 months up to the date prior to valuation date, plus accumulated accrued interest;
- Purchase price plus accumulated accrued interest;
- Par value plus accumulated accrued interest.

Accumulated interest of Listed Corporate bonds is recognised as receivables in the statement of financial position and statement of investment portfolio at the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**4 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.2 Investments (continued)**

*Unlisted bonds*

For bonds that have been offered to the public but have not been approved by the stock exchange for listing; The price is determined as the purchase price plus accumulated interest up to the end of day before the valuation date.

Accumulated interest of unlisted bonds is recognised as receivables in the statement of financial position and statement of investment portfolio at the reporting date.

***Gain or loss from revaluation of investments***

Gain or loss from revaluation of investments are recognised in the statement of income in accordance with Circular 198/2012/TT-BTC.

**4.3 Receivables**

Receivables represent amounts receivable from securities trading, dividend receivables, accrued interest from bonds, accrued interest from bank deposits, accrued interest from transferable certificates of deposit and other receivables, and are stated at cost.

Provision for doubtful debts is made for each outstanding amount based on number of days past due according to initial payment commitment (ignoring any mutually agreed extension), or based on the estimated loss that may arise.

Increase in provision of overdue receivables from investments sold but not yet settled is recorded as expense in the statement of income.

Increase in provision of overdue dividend, bond interest, term deposit interest and other receivables are recorded as reduction of income in the statement of income.

**4.4 Payables**

Payables presented in the statement of financial position are carried at cost of the payables for redemption, payables for investment trading activities, remuneration payable to the Board of Representatives, payables to the Fund Management Company, the Supervising Bank and other payables.

**4.5 Taxation**

Under current tax regulations in Vietnam, the Fund is not subject to corporate income tax. However, the Fund Management Company is responsible for withholding tax of individuals and institutions in the following transactions:

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**4 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.5 Taxation (continued)**

**Distribution of dividends to unit holders**

When the Fund distributes dividends to fund unit holders, the Fund Management Company is required to comply with Circular 78/2014/TT-BTC dated 18 June 2014 ("Circular 78/2014/TT-BTC") amended by Circular 96/2015/TT-BTC dated 22 June 2015 and Circular 111/2013/TT-BTC dated 15 August 2013 ("Circular 111/2013/TT-BTC") amended by Circular 92/2015/TT-BTC dated 15 June 2015 ("Circular 92/2015/TT-BTC") issued by the Ministry of Finance and Official Letter No. 10945/BTC-TCT dated 19 August 2010 issued by the Ministry of Finance regarding tax policy on profit distributions to corporate fund unit holders. Accordingly, when the Fund distributes dividends to local corporate fund unit holders, such local corporate fund unit holders are responsible for tax declaration and payment obligations arising thereon as regulated. When the Fund distributes dividends to foreign corporate fund unit holders, the Fund Management Company is required to withhold 20% BIT on the distributed dividends (excluding the Fund's distribution of after-tax profits and bond interest earned from tax-free bonds in accordance with the applicable regulations) on their behalf. When the Fund distributes dividends to individual unit holders (both residents and non-residents), the Fund Management Company is required to withhold and pay 5% personal income tax on the distributed dividends on their behalf.

**Redemption of Fund units**

The Fund Management Company is required to withhold and pay tax when it redeems its units from individual unit holders (both residents and non-residents) and foreign corporate fund unit holders on their behalf according to Circular 111/2013/TT-BTC amended by Circular 92/2015/TT-BTC, Circular 25/2018/TT-BTC dated 16 March 2018 and Circular 103/2014/TT-BTC dated 6 August 2014 issued by the Ministry of Finance. The tax rate is 0.1% of redemption proceeds. The Fund Management Company is not responsible for withholding and paying BIT on redemptions proceeds paid to local corporate fund unit holders. These local corporate fund unit holders are responsible for their own BIT declaration and payment obligations according to Circular 78/2014/TT-BTC amended by Circular 96/2015/TT-BTC dated 22 June 2015.

**4.6 Provisions**

Provisions are recognised when:

- The Fund has a present legal or constructive obligation as a result of past events;
- It is probable that an outflow of resources will be required to settle the obligation; and
- The amount has been reliably estimated.

Provision is not recognised for future operating losses.

Provisions are measured at the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**4 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.7 Share capital and undistributed profits**

The Fund's Certificates are classified as equity. Each certificate has a par value of VND10,000.

Number of allotted Fund units shall be rounded down to two (02) decimal places.

*Subscription capital*

Subscription capital represents the unitholders' contributed capital in initial public offer and in subsequent Fund's unit subscription cycles after the conversion date or in switches of Fund units between open-ended funds under common management of the Fund Management Company. Issued capital is recorded as par value.

*Redemption capital*

Redemption capital represents the gross redemption amount paid to unitholder in subsequent Fund's unit redemption cycles after establishment date or in switches of Fund units between open-ended funds under common management of the Fund Management Company. Redemption capital is recorded at par value.

*Share premium*

Share premium represents the difference between the net asset value per Fund unit and par value per Fund unit in a subscription/redemption transaction.

*Undistributed profits*

Undistributed profits represent cumulative undistributed profits as at reporting date including cumulative realised profits and cumulative unrealised profits.

Realised profits incurred during the year are the difference of total income and revenue after deducted unrealised gains from revaluation of investments and total expenses.

Unrealised profits incurred during the year are unrealised gains from revaluation of investments.

The Fund determines realised profits and unrealised profits and posts into Undistributed profits at the end of each reporting year.

*Profits/assets distributed to unit holders*

These are profits/assets distributed to unit holders during the year and their amounts are deducted against undistributed profits.

The Fund recognises profits/assets distributed to unit holders based on Resolution of the Investors' General Meeting, in accordance with the Fund Charter and prevailing securities regulations.

Profits is distributed to unit holders by the Fund Management Company after deductions of all taxes and fees in accordance with prevailing laws and regulations.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**4 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.8 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

*Interest income*

Interest income from deposits at banks, interest income from transferable certificates of deposit and interest income from bonds are recognised in the statement of income on an accruals basis unless collectability is in doubt.

**4.9 Expenses**

Expenses are recognised on an accruals basis and prudent concept.

**4.10 Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Fund are related parties of the Fund. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Fund that gives them significant influence over the enterprise, key management personnel and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering of related party relationship, the Fund considers the substance of the relationship but not merely the legal form.

**4.11 Nil balances**

Items or balances required by Circular 198/2012/TT-BTC that are not presented in these financial statements indicate nil balance.

**5 ADDITIONAL INFORMATION TO THE STATEMENT OF INCOME**

**5.1 Interest income**

	For the year ended 31.12.2022 VND	For the period from 4.2.2021 (date of the Fund's establishment) to 31.12.2021 VND
Received interest income	1,427,486,440	1,155,377,258
Accrued interest income from term deposits	1,221,247,124	895,108,903
Accrued interest income from bonds	801,368,494	67,647,123
	<u>3,450,102,058</u>	<u>2,118,133,284</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**5 ADDITIONAL INFORMATION TO THE STATEMENT OF INCOME (continued)**

**5.2 Other operating expenses**

	For the year ended 31.12.2022 VND	For the period from 4.2.2021 (date of the Fund's establishment) to 31.12.2021 VND
Remunerations to the Board of Representatives (Note 8(a)(iii))	108,000,000	98,035,713
Bank charges (Note 8(a)(ii))	7,857,300	12,931,600
	<u>115,857,300</u>	<u>110,967,313</u>

**6 ADDITIONAL INFORMATION TO THE STATEMENT OF FINANCIAL POSITION**

**6.1 Cash and cash equivalents**

Cash and cash equivalents represent cash in Vietnamese Dong at the following depositories:

	As at	
	31.12.2022 VND	31.12.2021 VND
<b>1. Cash at HSBC Bank (Vietnam) Limited for the Fund's operations (Note 8(b))</b>		
Cash for the Fund's operations	775,666,606	811,077,557
Cash for the Fund's subscription	-	500,000
<b>2. Term deposits with maturity within three (03) months</b>		
The Joint Stock Commercial Bank for Investment and Development of Vietnam – Ho Chi Minh City Branch	1,200,000,000	1,500,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade – 4th Branch Ho Chi Minh City	-	7,200,000,000
Orient Commercial Joint Stock Bank – Cho Lon Branch	-	6,000,000,000
Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch	-	5,500,000,000
Vietnam Prosperity Joint Stock Commercial	-	5,300,000,000
	<u>1,975,666,606</u>	<u>26,311,577,557</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**6 ADDITIONAL INFORMATION TO THE STATEMENT OF FINANCIAL POSITION (continued)**

**6.2 Investments**

All investee companies presented in the Statement of Investment Portfolio are incorporated in Vietnam.

The Fund does not participate in the day-to-day financial and operating policy decisions of these investee companies. Accordingly, the Fund does not intend to exert a controlling or significant influence over the investee companies. Therefore, the investments of the Fund are recognised based on the accounting policy as presented in Note 4.2 instead of equity accounting or consolidation.

The detail of the Fund's investments as at 31 December 2022 is as follows:

	Carrying value VND	Gain/(loss) from revaluation		Market value VND
		Gain VND	Loss VND	
Term deposits with maturity more than three (03) months (*)	35,100,000,000	-	-	35,100,000,000
Listed bond (**)	26,026,500,000	-	(1,492,600,000)	24,533,900,000
	<u>61,126,500,000</u>	<u>-</u>	<u>(1,492,600,000)</u>	<u>59,633,900,000</u>

(\*) Details of term deposits with maturity more than three (03) months were as follows:

Bank name	Term Days	Interest rate/ per annum %	Carrying value VND	Market value VND
Orient Commercial Joint Stock Bank	365	5.90	6,000,000,000	6,000,000,000
Orient Commercial Joint Stock Bank	365	5.90	6,000,000,000	6,000,000,000
Ho Chi Minh City Development Joint Stock Commercial Bank	397	5.35	6,000,000,000	6,000,000,000
Vietnam Prosperity Joint Stock Commercial Bank	365	6.10	5,800,000,000	5,800,000,000
Asia Commercial Joint Stock Bank – HCM branch	365	10.00	6,300,000,000	6,300,000,000
Asia Commercial Joint Stock Bank – HCM branch	365	6.00	5,000,000,000	5,000,000,000
			<u>35,100,000,000</u>	<u>35,100,000,000</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**  
(continued)

**6.2 Investments (continued)**

(\*\*) Detail of listed bonds as at 31 December 2022 as follows:

	Quantity	Purchase value	Market value	Interest per annum	Star date	Maturity date	Secured bond
Vietnam Joint Stock Commercial Bank For Industry And Trade - CTG121030	100,000	10,026,500,000	9,409,000,000	8.300%	18.11.2021	18.11.2029	non-secured bond
Lien Viet Post Joint Stock Commercial Bank - LPB122010	100,000	10,000,000,000	9,397,900,000	7.425%	28.2.2022	28.2.2029	non-secured bond
Joint Stock Commercial Bank for Investment and Development of Vietnam - BID121028	60,000	6,000,000,000	5,727,000,000	7.300%	29.10.2021	29.10.2029	non-secured bond
	<u>260,000</u>	<u>26,026,500,000</u>	<u>24,533,900,000</u>				

The detail of the Fund's investments as at 31 December 2021 is as follows:

	Carrying value VND	Gain/(loss) from revaluation		Market value VND
		Gain VND	Loss VND	
Term deposits with maturity more than three (03) months (*)	30,000,000,000	-	-	30,000,000,000
Unlisted bond (**)	6,000,000,000	-	-	6,000,000,000
	<u>36,000,000,000</u>	<u>-</u>	<u>-</u>	<u>36,000,000,000</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**6 ADDITIONAL INFORMATION TO THE STATEMENT OF FINANCIAL POSITION (continued)**

**6.2 Investments (continued)**

(\*) Details of term deposits with maturity more than three (03) months were as follows:

Bank name	Term Days	Interest rate/per annum %	Carrying value VND	Market value VND
Ho Chi Minh City Development Joint Stock Commercial Bank	393	5.6	6,000,000,000	6,000,000,000
Lien Viet Post Joint Stock Commercial Bank	393	6.3	6,000,000,000	6,000,000,000
Orient Commercial Joint Stock Bank – Cho Lon Branch	187	4.8	6,000,000,000	6,000,000,000
Vietnam Prosperity Joint Stock Commercial Bank	191	5.2	6,000,000,000	6,000,000,000
Asia Commercial Joint Stock Bank - Ho Chi Minh city Branch	182	4.2	6,000,000,000	6,000,000,000
			<u>30,000,000,000</u>	<u>30,000,000,000</u>

(\*\*) Non-convertible, non-covered warrant and non-secured bond named BIDH2129008C with maturity term of 8 years, callable after 3 years, earns a floating interest rate paid once a year issued by the Joint Stock Commercial Bank for Investment and Development of Vietnam via Ho Chi Minh Securities Corporation ("HSC") issuance agency.

Bond BIDH2129008C has been re-deposited at the Vietnam Securities Depository with the listed code BID121028. However, as at 31 December 2021, there have not been yet announced of the completion of listing procedures on Hanoi Stock Exchange.

**6.3 Accrued expenses**

	As at	
	31.12.2022 VND	31.12.2021 VND
Audit fee	72,721,800	70,000,000
Remunerations to the Board of Representatives (Note 8(b))	27,000,000	27,000,000
	<u>99,721,800</u>	<u>97,000,000</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**6 ADDITIONAL INFORMATION TO THE STATEMENT OF FINANCIAL POSITION (continued)**

**6.4 Subscription payable to unitholders**

Subscription payable to unitholders represents cash received from unitholders for subscription.

**6.5 Fees payable to related service providers**

	<b>As at</b>	
	<b>31.12.2022</b>	<b>31.12.2021</b>
	<b>VND</b>	<b>VND</b>
<b>Payables to Fund Management Company</b>		
Fund management fee (Note 8(b))	48,303,454	48,328,488
<b>Payables to Supervising and Custodian Bank</b>		
Custody fee (Note 8(b))	20,999,999	20,999,998
Supervising fee (Note 8(b))	8,800,001	8,800,001
	<u>29,800,000</u>	<u>29,799,999</u>
<b>Payables for Transfer agency service and Fund admin service</b>		
Fund administration fee (Note 8(b))	8,800,001	12,099,999
Transfer agency service fee	11,000,000	11,253,327
	<u>19,800,001</u>	<u>23,353,326</u>
	<u>97,903,455</u>	<u>101,481,813</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**6 ADDITIONAL INFORMATION TO THE STATEMENT OF FINANCIAL POSITION (continued)**

**6.6 Movements in owners' equity**

	Unit	As at 31.12.2021	Incurred for the year	As at 31.12.2022
<b>Subscription capital</b>				
Number of Fund units	CCQ	6,391,071.93	130,919.55	6,521,991.48
Subscription capital at par value	VND	63,910,719,300	1,309,195,500	65,219,914,800
Share premium of subscription capital	VND	9,583,623	24,354,957	33,938,580
<b>Total subscription capital</b>	<b>VND</b>	<b>63,920,302,923</b>	<b>1,333,550,457</b>	<b>65,253,853,380</b>
<b>Redemption capital</b>				
Number of Fund units	CCQ	(151,218.25)	(147,452.57)	(298,670.82)
Redemption capital at par value	VND	(1,512,182,500)	(1,474,525,700)	(2,986,708,200)
Share premium of redemption capital	VND	(9,334,514)	(22,208,657)	(31,543,171)
<b>Total redemption capital</b>	<b>VND</b>	<b>(1,521,517,014)</b>	<b>(1,496,734,357)</b>	<b>(3,018,251,371)</b>
<b>Total contribution capital</b>	<b>VND</b>	<b>62,398,785,909</b>	<b>(163,183,900)</b>	<b>62,235,602,009</b>
Accumulated profits/(loss)	VND	676,037,407	522,750,555	1,198,787,962
<b>Net Asset Value</b>	<b>VND</b>	<b>63,074,823,316</b>	<b>359,566,655</b>	<b>63,434,389,971</b>
<b>Number of outstanding Fund Units</b>	<b>CCQ</b>	<b>6,239,853.68</b>	<b>(16,533.02)</b>	<b>6,223,320.66</b>
<b>NAV per Fund unit</b>	<b>VND/ CCQ</b>	<b>10,108.38</b>		<b>10,193.01</b>

**6.7 Accumulated profits**

	As at 31.12.2021 VND	Incurred for the year/period VND	As at 31.12.2022 VND
Realised gains	676,037,407	2,015,350,555	2,691,387,962
Unrealised losses	-	(1,492,600,000)	(1,492,600,000)
<b>Accumulated profits</b>	<b>676,037,407</b>	<b>522,750,555</b>	<b>1,198,787,962</b>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)

7 NET ASSET VALUE (NAV)

For the year ended 31 December 2022					
No.	Valuation date	NAV VND	Quantity of Fund units	NAV per unit at calculation date VND	Increase/ (Decrease) of NAV per unit VND
1	04.01.2022	63,074,823,316	6,239,853.68	10,108.38	
2	04.01.2022	63,086,456,422	6,239,853.68	10,110.24	(1.86)
3	11.01.2022	63,113,817,725	6,239,883.30	10,114.58	4.34
4	18.01.2022	63,148,085,356	6,240,603.08	10,118.90	4.32
5	25.01.2022	62,972,755,495	6,220,515.83	10,123.39	4.49
6	07.02.2022	62,915,475,511	6,212,175.74	10,127.76	4.37
7	08.02.2022	62,941,983,350	6,212,175.74	10,132.03	4.27
8	15.02.2022	62,971,289,302	6,212,543.68	10,136.15	4.12
9	22.02.2022	62,997,111,422	6,212,888.91	10,139.74	3.59
10	01.03.2022	63,029,066,655	6,213,758.88	10,143.46	3.72
11	08.03.2022	63,136,622,218	6,221,939.65	10,147.41	3.95
12	15.03.2022	62,982,222,100	6,204,669.77	10,150.77	3.36
13	22.03.2022	62,882,562,950	6,192,719.68	10,154.27	3.50
14	29.03.2022	62,440,803,584	6,192,540.28	10,083.22	(71.05)
15	01.04.2022	62,384,987,022	6,200,277.95	10,061.64	(21.58)
16	05.04.2022	62,406,874,995	6,200,277.95	10,065.17	3.53
17	12.04.2022	62,786,785,182	6,189,248.44	10,144.49	79.32
18	19.04.2022	62,797,194,425	6,187,481.81	10,149.07	4.58
19	26.04.2022	62,947,952,567	6,185,769.23	10,176.25	27.18
20	04.05.2022	63,031,684,046	6,191,517.20	10,180.32	4.07
21	10.05.2022	63,077,226,655	6,191,517.20	10,187.68	7.36
22	17.05.2022	63,088,620,232	6,189,268.51	10,193.22	5.54
23	24.05.2022	63,119,432,498	6,188,861.80	10,198.87	5.65
24	31.05.2022	63,151,844,702	6,188,611.80	10,204.52	5.65
25	01.06.2022	63,223,815,014	6,195,177.04	10,205.32	0.80
26	07.06.2022	62,908,414,386	6,195,177.04	10,154.41	(50.91)
27	14.06.2022	63,221,307,671	6,193,927.33	10,206.98	52.57
28	21.06.2022	63,322,675,426	6,195,559.66	10,220.65	13.67
29	28.06.2022	63,331,723,659	6,195,540.01	10,222.14	1.49
30	01.07.2022	63,402,909,678	6,200,721.28	10,225.08	2.94
31	05.07.2022	63,422,899,855	6,200,721.28	10,228.31	3.23
32	12.07.2022	63,443,071,924	6,196,590.69	10,238.38	10.07
33	19.07.2022	63,419,918,191	6,195,992.63	10,235.63	(2.75)
34	26.07.2022	63,529,170,221	6,194,115.19	10,256.37	20.74
35	01.08.2022	63,346,366,334	6,193,270.86	10,228.25	(28.12)
36	02.08.2022	63,352,608,334	6,193,270.86	10,229.26	1.01
37	09.08.2022	63,459,675,967	6,199,507.51	10,236.24	6.98
38	16.08.2022	63,348,376,684	6,201,309.50	10,215.32	(20.92)
39	23.08.2022	63,428,685,629	6,201,113.38	10,228.59	13.27
40	30.08.2022	63,787,193,979	6,200,903.97	10,286.75	58.16
41	05.09.2022	63,506,900,995	6,206,298.87	10,232.65	(54.10)
42	06.09.2022	63,538,867,460	6,206,298.87	10,237.80	5.15
43	13.09.2022	63,049,370,909	6,207,175.42	10,157.49	(80.31)
44	20.09.2022	63,816,053,816	6,204,878.96	10,284.81	127.32

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)

7 NET ASSET VALUE (NAV) (continued)

For the year ended 31 December 2022 (continued)					
No.	Valuation date	NAV VND	Quantity of Fund units	NAV per unit at calculation date VND	Increase/ (Decrease) of NAV per unit VND
45	27.09.2022	63,993,098,468	6,204,973.37	10,313.19	28.38
46	03.10.2022	63,627,043,737	6,204,137.40	10,255.58	(57.61)
47	04.10.2022	62,783,168,983	6,204,137.40	10,119.56	(136.02)
48	11.10.2022	62,790,286,574	6,204,008.47	10,120.92	1.36
49	18.10.2022	64,280,575,287	6,208,221.48	10,354.10	233.18
50	25.10.2022	63,315,958,988	6,215,920.06	10,186.09	(168.01)
51	01.11.2022	63,106,713,439	6,212,737.54	10,157.63	(28.46)
52	08.11.2022	63,654,931,247	6,217,578.59	10,237.89	80.26
53	15.11.2022	63,752,130,193	6,221,941.52	10,246.34	8.45
54	22.11.2022	63,786,084,355	6,222,178.86	10,251.40	5.06
55	29.11.2022	62,876,943,766	6,220,949.32	10,107.29	(144.11)
56	01.12.2022	62,945,083,665	6,226,486.80	10,109.24	1.95
57	06.12.2022	63,275,887,501	6,226,486.80	10,162.37	53.13
58	13.12.2022	62,969,671,145	6,224,078.61	10,117.10	(45.27)
59	20.12.2022	62,965,480,907	6,218,176.86	10,126.03	8.93
60	27.12.2022	63,331,985,458	6,217,076.14	10,186.77	60.74
61	02.01.2023	63,434,389,971	6,223,320.66	10,193.01	6.24
Average NAV of the year					63,202,671,237
Changes in NAV per Fund unit during the year - highest level					233.18
Changes in NAV per Fund unit during the year - lowest level					0.80

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)

7 NET ASSET VALUE (NAV) (continued)

For the period from 4.2.2021 (date of the Fund's establishment) to 31.12.2021					
No.	Valuation date	NAV VND	Quantity of Fund units	NAV per unit at calculation date VND	Increase/ (Decrease) of NAV per unit VND
1	09.02.2021	60,128,927,148	6,017,350.00	9,992.59	(7.41)
2	23.02.2021	60,069,382,684	6,017,350.00	9,982.69	(9.90)
3	01.03.2021	60,127,870,637	6,023,510.65	9,982.19	(0.50)
4	02.03.2021	60,128,650,671	6,023,510.65	9,982.32	0.13
5	09.03.2021	60,136,107,312	6,023,711.35	9,983.23	0.91
6	16.03.2021	60,337,825,850	6,042,942.40	9,984.84	1.61
7	23.03.2021	60,353,107,461	6,043,192.84	9,986.95	2.11
8	30.03.2021	60,370,566,778	6,043,192.90	9,989.84	2.89
9	01.04.2021	60,559,036,890	6,061,491.19	9,990.78	0.94
10	06.04.2021	60,572,938,338	6,061,491.19	9,993.07	2.29
11	13.04.2021	60,592,886,455	6,061,541.12	9,996.28	3.21
12	20.04.2021	60,909,163,122	6,091,312.05	9,999.35	3.07
13	27.04.2021	60,929,561,936	6,091,412.05	10,002.53	3.18
14	03.05.2021	61,020,624,713	6,099,509.15	10,004.18	1.65
15	04.05.2021	61,029,185,312	6,099,509.15	10,005.58	1.40
16	11.05.2021	61,050,646,653	6,099,658.95	10,008.86	3.28
17	18.05.2021	61,071,111,394	6,099,708.90	10,012.13	3.27
18	25.05.2021	61,098,069,337	6,100,408.03	10,015.40	3.27
19	01.06.2021	61,195,314,073	6,108,395.72	10,018.23	2.83
20	08.06.2021	62,095,936,160	6,196,419.67	10,021.26	3.03
21	15.06.2021	62,660,877,145	6,251,004.29	10,024.12	2.86
22	22.06.2021	62,902,596,778	6,273,170.93	10,027.24	3.12
23	29.06.2021	62,955,305,556	6,276,482.48	10,030.34	3.10
24	01.07.2021	63,177,145,266	6,298,089.06	10,031.16	0.82
25	06.07.2021	63,191,296,097	6,298,089.06	10,033.40	2.24
26	13.07.2021	63,206,670,255	6,298,234.53	10,035.61	2.21
27	20.07.2021	63,217,033,314	6,298,314.22	10,037.13	1.52
28	27.07.2021	63,209,864,116	6,296,874.90	10,038.29	1.16
29	02.08.2021	62,639,265,926	6,238,746.89	10,040.36	2.07
30	03.08.2021	62,643,421,631	6,238,746.89	10,041.02	0.66
31	10.08.2021	62,645,327,676	6,237,756.71	10,042.92	1.90
32	17.08.2021	62,662,235,097	6,238,000.63	10,045.24	2.32
33	24.08.2021	62,677,842,962	6,238,368.03	10,047.12	1.88
34	31.08.2021	62,688,836,726	6,238,378.22	10,048.89	1.77
35	01.09.2021	62,822,826,693	6,251,517.56	10,049.21	0.32
36	07.09.2021	62,834,332,186	6,251,517.56	10,051.05	1.84
37	14.09.2021	62,854,909,105	6,251,949.13	10,053.65	2.60
38	21.09.2021	62,835,306,494	6,248,171.51	10,056.59	2.94
39	28.09.2021	62,856,460,381	6,248,659.21	10,059.19	2.60
40	01.10.2021	62,920,333,153	6,254,299.74	10,060.33	1.14
41	05.10.2021	62,931,756,679	6,254,299.74	10,062.15	1.82
42	12.10.2021	62,968,073,453	6,255,926.82	10,065.34	3.19
43	19.10.2021	62,988,559,767	6,256,055.60	10,068.41	3.07

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)

7 NET ASSET VALUE (NAV) (continued)

For the period from 4.2.2021 (date of the Fund's establishment) to 31.12.2021					
No.	Valuation date	NAV VND	Quantity of Fund units	NAV per unit at calculation date VND	Increase/ (Decrease) of NAV per unit VND
44	26.10.2021	63,006,719,655	6,255,874.90	10,071.60	3.19
45	01.11.2021	63,014,819,023	6,254,977.47	10,074.34	2.74
46	02.11.2021	63,018,048,259	6,254,977.47	10,074.86	0.52
47	09.11.2021	63,157,427,361	6,266,424.75	10,078.70	3.84
48	16.11.2021	63,169,079,346	6,265,273.33	10,082.41	3.71
49	23.11.2021	63,239,888,570	6,269,939.89	10,086.20	3.79
50	30.11.2021	63,263,137,846	6,269,901.20	10,089.97	3.77
51	01.12.2021	63,251,238,470	6,268,383.09	10,090.51	0.54
52	07.12.2021	63,272,169,819	6,268,383.09	10,093.85	3.34
53	14.12.2021	63,366,483,476	6,275,270.03	10,097.80	3.95
54	21.12.2021	63,122,413,540	6,248,558.24	10,101.91	4.11
55	28.12.2021	63,140,612,657	6,247,810.51	10,106.03	4.12
56	04.01.2022	63,074,823,316	6,239,853.68	10,108.38	2.35
Average NAV of the period					62,167,215,191
Changes in NAV per Fund unit during the period - highest level					(9.90)
Changes in NAV per Fund unit during the period - lowest level					0.13

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**8 RELATED PARTIES TRANSACTIONS**

**(a) Transactions with related parties**

The following transactions were carried out with related parties in the period:

(i) *Dai-ichi Life Vietnam Fund Management Company Limited, the Fund Management Company*

	For the year ended 31.12.2022 VND	For the period from 4.2.2021(date of the Fund's establishment) to 31.12.2022 VND
Fund management fee	569,075,000	507,245,475

In accordance with the Fund's Charter, Fund Management Company is entitled to receive annual management fee equal to 0.9% of NAV of the Fund. The fund management fee is calculated (accrued) for each valuation period based on the NAV of the Fund excluding fee at the date prior to the valuation date. The monthly fee payable is total fee which is calculated (accrued) for valuation dates within each month

(ii) *HSBC Bank (Vietnam) Limited, the Supervising, Custodian Bank, Transfer Agency and Fund Administration*

	For the year ended 31.12.2022 VND	For the period from 4.2.2021(date of the Fund's establishment) to 31.12.2022 VND
Custody fee	251,999,987	228,749,989
Transfer agency service fee	71,278,892	190,901,549
Fund administration fee	126,677,431	182,241,362
Supervisory fee	105,600,015	95,857,159
Bank charges (note 5.2)	7,857,300	12,931,600
Transaction fee	300,000	150,000

The Fund has appointed HSBC Bank (Vietnam) Limited ("HSBC") to be the Custodian Bank and Supervisory Bank of the Fund. HSBC was authorised by the Fund Management Company to provide fund administration service and transfer agency service.

In accordance with the Fund's Charter, the Fund has to pay HSBC custodian service fee, supervising fee, fund administration fee and transfer agency fee on a monthly basis. The above fees are calculated at each valuation period using NAV at valuation date. Monthly fees are total fees of valuation periods within each month, the details are as follows:

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**8 RELATED PARTIES TRANSACTIONS (continued)**

**(a) Transactions with related parties (continued)**

(ii) *HSBC Bank (Vietnam) Limited, the Supervising, Custodian Bank, Transfer Agency and Fund Admin (continued)*

<b>Services</b>	<b>Fee rates</b>
Supervising fee (excluding VAT)	0.02% per annum on NAV. Minimum supervising fee is VND8,000,000 per month
Custodian fee	0.05% per annum on NAV. Minimum custodian fee is VND21,000,000 per month
Fund administration (excluding VAT)	0.045% per annum on NAV. Minimum fund administration is VND8,000,000 per month

Transfer agency fees include two groups of fees as follows:

- Group of fee calculated based on NAV or transaction value include:
  - Annual fund unit holder retainer service: 0.04% annual NAV. Minimum transfer agency maintenance fee is VND10,000,000 per month.
  - Subscriptions, redemptions, switches, transfers services: 0.03% on each transaction.
- Group of fee calculated based on actual amount incurred include:
  - Static data maintenance service including investor static data creation: VND15,000 per investor and distributor static data creation: VND1,000,000 per distribution agent.
  - Other fees such as bulk mail delivery request charges VND100,000 per fund unit holder, online banking ("HSBCnet") equipment fee VND300,000 per equipment and other fees.

HSBC Bank (Vietnam) Limited provides Transfer Agency service to the Fund until the end of the trading day of 12 July 2022. From the trading day of 19 July 2022, the Transfer Agent service is provided by the Vietnam Securities Depository (VSD).

In addition, the Fund also has obligation to pay HSBC the following fees in relation to assets transactions of the Fund:

<b>Services</b>	<b>Fee rates</b>
Purchases/sales of securities	VND150,000 per transaction

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**8 RELATED PARTIES TRANSACTIONS (continued)**

**(a) Transactions with related parties (continued)**

*(iii) Board of Representatives' remunerations*

	For year ended 31.12.2022 VND	For the period from 4.2.2021 (date of the Fund 's establishment) to 31.12.2022 VND
Board of Representatives' remunerations (Note 5.2)	108,000,000	98,035,713

Other than the above-mentioned remunerations, there is no other contract to which the Fund and any member of the Board of Representatives are parties to where a member of the Board of Representatives has a material interest. Remuneration and related expenses to members of the Board of Representatives are recognised as expenses of the Fund in the statement of income.

**(b) Balances with related parties**

As at 31 December 2022, the Fund had the following balances with related parties:

	For the year ended 31.12.2022 VND	For the period from 4.2.2021 (date of the Fund 's establishment) to 31.12.2021 VND
<b>Dai-ichi Life Vietnam Fund Management Company Limited</b>		
Fund management fee payable (Note 6.5)	48,303,454	48,328,488
<b>HSBC Bank (Vietnam) Limited</b>		
Cash for the Fund's operations (Note 6.1)	775,666,606	811,577,557
Custody fee (Note 6.5)	20,999,999	20,999,998
Fund administration fee (Note 6.5)	8,800,001	12,099,999
Supervising fee (Note 6.5)	8,800,001	8,800,001
Transfer agency service fee (Note 6.5)		11,253,327
<b>Board of Representatives</b>		
Accrued Board of Representatives' remunerations (Note 6.3)	27,000,000	27,000,000

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)

9 THE FUND'S PERFORMANCE INDICATORS

		For the year ended 31.12.2022 VND	For the period from 4.2.2021 (date of the Fund 's establishment) to 31.12.2021 VND
<b>I</b>	<b>Investment performance</b>		
1	Management fee paid to Fund Management Company/Average NAV during the year/period (%)	0.90	0.90
2	Custody, supervising fee paid to Supervising Bank/Average NAV during the year/period (%)	0.57	0.58
3	Fund administration fee, and other expenses paid to related service suppliers/Average NAV during the year/period (%)	0.41	0.66
4	Audit fee/Average NAV during the year/period (%)	0.21	0.23
7	Legal advisory fee, quotation fee and other fees, remunerations paid to the Fund Board of Representatives/Average NAV during the year/period (%)	0.17	0.17
8	Operation expenses/Average NAV during the year/period (%)	2.27	2.57
9	Turnover of investment portfolio during the year/period (%)	<u>16.19</u>	<u>5.32</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**9 THE FUND'S PERFORMANCE INDICATORS (continued)**

		<b>For the year ended 31.12.2022</b>	<b>For the period from 4.2.2021 (date of the Fund 's establishment) to 31.12.2021</b>
<b>II Others</b>			
<b>1 Fund scale at the beginning of the year/period (calculated on par value of Fund units)</b>			
Total value of Fund units at the beginning of the year/period (unit)	62,398,536,800	-	
Total number of Fund units at the beginning of the year/period (VND)	6,239,853.68	-	
<b>2 Change in Fund scale during the initial public offering period (calculated on par value of Fund units)</b>			
Number of issued Fund units during initial public offering period (unit)	-	6,017,350.00	
Value of subscription capital during the establishment period (at par value) (VND)	-	60,173,500,000	
<b>2 Change in Fund scale during the year/ period (calculated on par value of Fund units)</b>			
Number of issued Fund units during the year/period (unit)	130,919.55	373,721.93	
Value of subscription capital during the year/period (at par value) (VND)	1,309,195,500	3,737,219,300	
Number of redeemed Fund units during the year/period (unit)	(147,452.57)	(151,218.25)	
Value of redemption capital during the year/period (at par value) (VND)	(1,474,525,700)	(1,512,182,500)	
<b>3 Fund scale at the end of the period (calculated on par value of Fund units)</b>			
Total value of Fund units at the end of the year/period (VND)	62,233,206,600	62,398,536,800	
Total number of Fund units at the end of the year/period (unit)	6,223,320.66	6,239,853.68	
<b>4 Percentage of Fund units held by the Fund Management Company and related parties at the end of the year/period (%)</b>	97.20	96.92	
<b>5 Proportion of Fund units held by 10 largest unitholders at the end of the year/period (%)</b>	97.90	98.11	
<b>6 Percentage of Fund units held by foreign unitholders at the end of the year/period (%)</b>	96.41	96.16	
<b>7 Number of unitholders at the end of the year/period</b>	481	611	
<b>8 NAV/Fund unit at the end of the year/period</b>	<u>10,193.01</u>	<u>10,108.38</u>	

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(continued)**

**10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE**

On 6 November 2009, the Vietnamese Ministry of Finance issued Circular 210/TT-BTC providing guidance on the application of International Accounting Standards regarding the presentation and disclosure of financial instruments ("Circular 210/TT-BTC"), which is applicable for financial statements whose year ends at or after 1 January 2011. Circular 210/2009/TT-BTC provides definitions of financial instruments, classification, presentation and disclosure including financial risk management policies and fair value of financial instruments.

The Fund has exposure to the following risks from financial instruments:

Credit risk  
Liquidity risk  
Market risk

The Fund's investment portfolio comprises cash at bank and term deposits at bank. Management of the Fund Management Company has been given a discretionary authority to manage the Fund's assets in compliance with the Fund's investment objectives. Compliance with the investment restrictions is monitored by the Supervising Bank on a daily basis. If any breach to the investment restrictions is found, the investment portfolio shall be adjusted by the Fund Management Company to comply with the established restrictions.

**(a) Credit risk**

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund, resulting in a financial loss to the Fund. It arises principally from cash at banks, transferable certificates of deposit, investments in securities and receivables from investment activities.

All current cash at bank and term deposits were placed with financial institutions where the Fund did not expect any losses.

Receivables from investment activities include interest receivables from term deposits. Credit risk relating to unsettled transactions is considered minimal due to the good credit rating of the counterparties and short securities settlement period. The maximum exposure to credit risk faced by the Fund is equal to the carrying amounts of cash at bank, transferable certificates of deposit and receivables from investment activities.

As at 31 December 2022 and at 31 December 2021, there were no any doubtful debts.

**(b) Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Open-ended funds face high risk of liquidity due to obligation to redeem its Fund units from unitholders.

The Fund's approach to managing liquidity risk is to maintain a highly liquid investment portfolio which comprises listed securities and bank deposits to meet its liquidity requirements in the short and long term.

**NOTES TO THE FINANCIAL STATEMENTS  
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(continued)**

**10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (continued)**

**(b) Liquidity risk (continued)**

As at 31 December 2022 and as at 31 December 2021, all of the Fund's liabilities were due within 1 year.

As at 31 December 2022 and as at 31 December 2021, there was no obligation relating to derivative financial instruments.

**(c) Market risk**

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and market prices will affect the Fund's income or the value of its investment portfolio.

*Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Fund's financial instruments will fluctuate as a result of changes in market interest rates. The fund is currently exposed to interest rate risk primarily related to bank deposits and listed corporate bonds. This risk is arisen when the market interest rate is increased, the value of bank deposits, listed corporate bond, has been decreased.

The Fund Management Company manages interest rate risk by analysing the competitive situation in the market in order to obtain interest rates that are beneficial to the Fund's purposes and remain within its risk management limits.

As at 31 December 2022, the Fund assessed that market interest rates will remain under control at a stable level. Therefore, interest rate risk has a negligible impact on the Fund's performance. Details of interest rates on bank deposits, listed corporate bonds are presented in Note 6.2.

*Currency risk*

Currency risk is the risk that the value of the Fund's financial instruments will be affected by changes in exchange rates. The Fund is not exposed to currency risk as the Fund's assets and liabilities are denominated in Vietnamese Dong, which is the Fund's functional currency.

**(d) Fair value of financial assets and liabilities**

Financial assets of the Fund comprise:

- Cash and cash equivalents;
- Term deposits with maturity more than three (3) months;
- Listed corporate bonds
- Interest and other receivables.

Financial liabilities are contractual obligations to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Fund or contracts that will or may be settled in the Fund's own equity instruments.

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction.

**NOTES TO THE FINANCIAL STATEMENTS  
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(continued)**

**10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (continued)**

**(d) Fair value of financial assets and liabilities (continued)**

Fair value measurement approach has not been stipulated in neither Circular 210/TT-BTC nor Vietnamese Accounting Standards, Circular 198/2012/TT-BTC, Circular 181/2015/TT-BTC, Circular 98/2020/TT-BTC and prevailing regulations on the preparation and presentation of financial statements applicable to open-ended investment funds.

Therefore, the Fund applies method of NAV valuation in accordance with Circular 98/2020/TT-BTC, the Fund's Charter and Valuation Manual approved by the Board of Representatives to determine fair value of the Fund's financial assets including cash and cash equivalents and investments. Fair value of the Fund's other financial assets and financial liabilities approximate their carrying value due to short-term maturity of these financial instruments.

Fair values of the Fund's financial assets and financial liabilities as at 31 December 2022 are as follows:

	Carrying value		Fair value	
	31.12.2022 VND	31.12.2021 VND	31.12.2022 VND	31.12.2021 VND
<b>Financial assets</b>				
Cash and cash equivalents	1,975,666,606	26,311,577,557	1,975,666,606	26,311,577,557
Net investments	59,633,900,000	36,000,000,000	59,633,900,000	36,000,000,000
- <i>Term deposits with maturity more than 3 months</i>	35,100,000,000	30,000,000,000	35,100,000,000	30,000,000,000
- <i>Listed bonds</i>	24,533,900,000	-	24,533,900,000	-
- <i>Unlisted bonds</i>	-	6,000,000,000	-	6,000,000,000
Net interest receivables	2,022,615,618	962,756,026	2,022,615,618	962,756,026
- <i>Term deposit Interest receivables</i>	1,221,247,124	895,108,903	1,221,247,124	895,108,903
- <i>Bond interest receivables</i>	801,368,494	67,647,123	801,368,494	67,647,123
<b>Total</b>	<b>63,632,182,224</b>	<b>63,274,333,583</b>	<b>63,632,182,224</b>	<b>63,274,333,583</b>
<b>Financial liabilities</b>				
Expense accruals	99,721,800	97,000,000	99,721,800	97,000,000
Subscription payable to unitholders	-	500,000	-	500,000
Fees payable to related service providers	97,903,455	101,481,813	97,903,455	101,481,813
<b>Total</b>	<b>197,625,255</b>	<b>198,981,813</b>	<b>197,625,255</b>	<b>198,981,813</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**  
(continued)

**11 SUBSEQUENT EVENTS**

There have been no significant subsequent events occurring after the reporting date which would require adjustments or disclosures to be made in the financial statements.

**12 APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements for the year ended 31 December 2022 were approved by the Board of Representatives on 14 March 2023.



Dai-ichi Life Vietnam Fund Management  
Company Limited  
**Tran Chau Danh**  
Chief Executive Officer

Dai-ichi Life Vietnam Fund Management  
Company Limited  
**Ho Thi Mai Phuong**  
Officer  
Fund Services Operations

Dai-ichi Life Vietnam Fund Management  
Company Limited  
**Tran Thi Anh Tram**  
Senior Manager  
Fund Services Operations