

**DFVN FIXED INCOME FUND**

**INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021**



## DFVN FIXED INCOME FUND

### INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT) TO 30 JUNE 2021

TABLE OF CONTENTS	PAGE
General information of the Fund	1
Statement by the Fund Management Company	2
Approval of the interim financial statements by the Board of Representatives	3
Report of the Fund Management Company	4
Report of the Supervising Bank	15
Independent auditor's review report	17
Interim statement of income (Form B 01g – QM)	19
Interim statement of financial position (Form B 02g – QM)	21
Interim statement of changes in Net Asset Value, subscriptions and redemptions of Fund Certificates (Form B 03g – QM)	23
Statement of investment portfolio (Form B 04g – QM)	24
Interim statement of cash flows (Form B 05g – QM)	25
Notes to the interim financial statements (Form B 06g – QM)	27

## 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                      Chairperson Mr. Huynh Van Dung                  Member Mr. Nguyen Gia Huy Chuong        Member
<b>Fund Management Company</b>	Dai-ichi Life Vietnam Fund Management Company Limited
<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 INTERIM FINANCIAL STATEMENTS**

Board of Executives of Dai-ichi Life Vietnam Fund Management Company Limited (“the Fund Management Company”) is responsible for preparing the interim 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 30 June 2021 and the results of its operations, changes in Net Asset Value, subscriptions and redemptions of Fund Certificates and cash flows for the period from 4 February 2021 (date of the Fund’s establishment) to 30 June 2021. In preparing these interim financial statements, 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 interim 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 interim financial statements to be prepared which comply with the basis of accounting set out in Note 4 to the interim 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 INTERIM FINANCIAL STATEMENTS BY THE BOARD OF REPRESENTATIVES

We hereby approve the accompanying interim financial statements set out on pages from 19 to 51 which give a true and fair view of the financial position and the investment portfolio of the Fund as at 30 June 2021 and of the results of its operations, changes in Net Asset Value, subscriptions and redemptions of Fund Certificates and cash flows for the period from 4 February 2021 (date of the Fund's establishment) to 30 June 2021 in accordance with Vietnamese Accounting Standards, Vietnamese accounting regulations and other relevant regulations applicable for 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 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 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.

On behalf of the Board of Representatives



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Mr Do Hung Viet  
Chairperson

Ho Chi Minh City, Vietnam  
12 August 2021

## 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 Fund’s reviewed interim financial statements for the period from 4 February 2021 (date of the Fund’s establishment) to 30 June 2021, at the end of reporting period, the change in net asset value (“NAV”) of the Fund is 4.99% 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 certificate;
- 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 Representative Board 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 30 Jun 2021, the number of Fund units in circulation is 6,298,089.06 units, equivalent to the scale of the Fund at par value is 62,980,890,600VND.

##### 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 Representative Board 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 Certificates, 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 Certificates. The distribution of profits in Fund Units must be approved by the General Meeting of Investors in advance or the Fund Representative Board (if the latest General Meeting of Investors has authorized to the Fund Representative Board). 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 unitholders.

## DFVN FIXED INCOME FUND

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

#### 2 PERFORMANCE RESULTS

##### 2.1. Asset allocation

	As at 30.6.2021 %
1. Cash and cash equivalents	61.25
2. Other assets	38.75
	<u>100.00</u>

##### 2.2 Performance indicators

	As at 30.6.2021
1. Net asset value of the Fund (VND)	63,177,145,266
2. Number of Fund units outstanding (units)	6,298,089.06
3. Net asset value per Fund unit (VND)	10,031.16
4. Net asset value per Fund unit – highest during the period (VND)	10,031.16
5. Net asset value per Fund unit – lowest during the period (VND)	9,982.19
6. Closing price of Fund unit at reporting date (VND)	Not applicable
7. Closing price of Fund unit at reporting date – highest during the period (VND)	Not applicable
8. Closing price of Fund unit at reporting date – lowest during the period (VND)	Not applicable
9. Total growth per Fund unit (%)	0.31%
9.1. <i>Capital growth per Fund unit (due to price change) (%)</i>	0.00%
9.2. <i>Income growth per Fund unit (calculated using realised income) (%)</i>	0.02%
10. Gross distributed earning per unit (VND)	Not applicable
11. Net distributed earning per unit (VND)	Not applicable
12. Ex-date of distribution	Not applicable
13. Operation expenses/Average NAV (%)	2.59%
14. Turnover of investment portfolio (%) (*)	-

(\*) The contract value of index futures was not included in transactions value of this calculation.

##### 2.3 Growth by years

Period	Growth of NAV per Fund unit (%)	Annual growth of NAV per Fund unit (%)
1 year	Not applicable	Not applicable
3 years	Not applicable	Not applicable
Since inception	0.31	Not applicable

##### 2.4. Annual growth

Period	30.6.2021	30.6.2020	30.6.2019
Growth per Fund unit (%)	Not applicable	Not applicable	Not applicable



## DFVN FIXED INCOME FUND

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

#### 3 MARKET UPDATES

The social-economy in the first 6 months of 2021 takes place in the context that the world economy has begun to recover after efforts to research and deploy Covid-19 vaccine vaccination in many countries around the world, including Vietnam. The International Monetary Fund (IMF), World Bank (WB) and other international organizations have made positive forecasts about the prospect of the global economy's post-Covid-19 recovery in 2021. Major economies in the world such as the US, China, Japan, and the EU all set high growth rates in Q1 after a sharp decline in 2020. In addition, countries around the world in the first 6 months of 2021 have deployed vaccination in order to bring their economy back to normal activities as soon as possible. However, difficulties still exist, global trade is negatively affected by supply chain disruptions, leading to a sharp increase in world commodity prices in the first months of 2021, especially commodity groups such as oil, iron and steel, coal... Interest rates in countries around the world tend to increase again, putting pressure on inflation. Countries in Southeast Asia continue to be affected by the Covid-19 epidemic wave due to new strains of the Covid-19 virus, greatly affecting the global economy.

Vietnam macro-economy in the second quarter 2021 faced the 4th wave of the Covid-19 with new strains from the UK and India. The 4th wave epidemic broke out quickly in many provinces across the country from May, seriously in Ho Chi Minh City, Bac Giang, Quang Ninh... This has posed many challenges in the management, direction and administration of the government in economic development and social security assurance. The Government has directed many ministries, and localities to implement synchronously, flexibly and effectively the "dual goals" of preventing and fighting epidemics, protecting people's health, recovering and developing the economy, as well as making the best efforts to achieve socio-economic development goals and tasks in 2021. The Covid 19 vaccination campaign has been deployed nationwide from the end of the second quarter of 2021 with the goal of quickly repel the epidemic on a nationwide scale.

Despite many difficulties in the second quarter, GDP in 2nd quarter of 2021 still recorded an increase of 6.61% vs 2020; and accumulated by 1H2021 GDP growth rate increased 5.64%, higher than the increase of 1.82% vs same period last year but lower than the growth rate of 7.05% and 6.77% of 1H in 2018 and 2019. Although this growth is not really as expected of the market, but in the context of the continuous epidemic in the first and second quarters, this increase is worth a positive note. The first half of 2021 recorded a strong recovery of import and export activities. Generally in the first 6 months of this year, the total import and export turnover of goods reached USD316.73 billion, increased 32.2% over the same period last year, of which exports reached USD157.63 billion, +28.4%; imports reached USD159.1 billion, +36.1%. Trade balance in the first 6 months of 2021 is estimated to have a trade deficit of USD1.47 billion. The Purchasing Managers' Index (PMI) in June 2021 unexpectedly recorded at 44.1, this is the lowest PMI level from the record low of 32.7 in April 2020. This is the consequence of the 4th wave of the Covid-19 epidemic, leading to the blockade of industrial zones in Bac Giang and Quang Ninh and social isolation in Ho Chi Minh City. Accumulated foreign direct investment (FDI) attraction in the first 6 months of the year has partly recovered in terms of both disbursed and registered capital, reaching nearly USD9.2 billion and USD15.2 billion respectively, with an increase of 6.8% and -2.6% respectively compared to the same period of last year. Meanwhile, controlling inflation is the bright spot in Vietnam's macro picture, the Government has succeeded in controlling the average CPI below the target level of 4%, despite of a strong increase of gasoline prices as well as commodity prices. CPI in June 2021 increased by 1.62% compared to December 2020 and increased by 2.41% over the same period last year, the lowest increase since 2016.

## DFVN FIXED INCOME FUND

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

#### 3 MARKET UPDATES (continued)

Thus, after the nationwide implementation of vaccination, the Covid-19 epidemic problem in Vietnam can be controlled from the end of 2021 to the beginning of 2022. Besides the risk factors from increase price of commodity and inflation need to be continued to monitor and control, the country macroeconomic stability and the internal strength of the economy, along with the government's desire to develop the capital market, will be a good prospect for the Fund's operations in the long run.

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

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

Item	1 year up to reporting date (%)	3 years up to reporting date (%)	From inception to reporting date (%)
Income growth per Fund unit	Not applicable	Not applicable	0.02
Capital growth per Fund unit	Not applicable	Not applicable	0.00
Total growth per Fund unit	Not applicable	Not applicable	0.31
Annual growth per Fund unit	Not applicable	Not applicable	Not applicable
Growth of component portfolio (*)	Not applicable	Not applicable	Not applicable
Price change per Fund unit (**)	Not applicable	Not applicable	Not applicable

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

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



Changes in net asset value:

Item	30.6.2021 VND	30.6.2020 VND	Change %
Net asset value (NAV)	63,177,145,266	Not applicable	Not applicable
Net asset value (NAV) per Fund unit	10,031.16	Not applicable	Not applicable

## 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	587	99,162.11	1.57
From 5,000 to lower than 10,000	0	-	0.00
From 10,000 to lower than 50,000	3	67,182.64	1.07
From 50,000 to lower than 500,000	2	131,744.31	2.09
From 500,000	1	6,000,000.00	95.27
<b>Total</b>	<b>593</b>	<b>6,298,089.06</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

According to data published by HNX and SSC, in the first 6 months of 2021, there were a total of 304 issuances of corporate bonds in the country with a total value of VND 186.683 billion, of which there were 291 private issuances and 13 issuances to the public; two issuances of bonds to the international market with a total value of USD700 million.

The bond channel continues to play an important role in opening up capital sources for enterprises, when medium and long-term credit from banking sector hardly has room for strong growth to meet the capital needs of enterprises. In addition, the general policy of government, including the State Bank, is still to prioritize medium and long-term capital channels through corporate bonds issuance and mobilized on the stock market.

In addition, many businesses are suffered by the impact of Covid-19 pandemic, and cash flow are temporarily affected. Therefore, the need to restructure the loan term in a longer-term direction to match the expected cash flow from business is very large.

From a demand perspective, the demand for investment and ownership of corporate bonds will also increase in the low interest rates environment and is expected to continue for the next few years due to the loosening monetary policy, in order to boost the economies of countries.

The corporate bond market in 2021 is expected to still be active, but in terms of scale, it will be difficult to achieve the level of issuance in 2020 due to tight regulations on issuance conditions by regulators, but ensuring the market stable and sustainable development.

DFVN FIXED INCOME FUND

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 Fund Management Company (renamed as Eastspring Investments).</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>
<p><b>Mr. Doan Cong Dat</b> Head of Internal Control</p>	<p><b>Qualification</b></p> <ul style="list-style-type: none"> <li>• Bachelor of Accounting Audit, HCMC University of Economics;</li> <li>• Bachelor of Law, University of Economics and Law;</li> <li>• Bachelor of English, University of Social Sciences and Humanities;</li> <li>• CIA (Certified Internal Auditor) Certificate by the Institute of Internal Auditors (IIA).</li> </ul> <p><b>Working experience</b> Mr. Dat has over thirteen (13) years of experience in finance, insurance and has hold the management positions in the sector of legal, compliance and internal audit. Prior to joining the Company, Mr. Dat was the Head of Compliance at big companies such as Herballife Vietnam, Pfizer Vietnam, Shell Vietnam, Prudential Vietnam and he was the Head of Internal Audit at Manulife Vietnam.</p>

DFVN FIXED INCOME FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

6 OTHER INFORMATION (continued)

*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></p> <p>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>
<p><b>Ms Khuat Thi Thu Hien</b> Securities trading (senior) officer</p>	<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>

**DFVN FIXED INCOME FUND**

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

**6 OTHER INFORMATION (continued)**

*Board of Representatives*

<p><b>Mr Do Hung Viet</b> Chairperson</p>	<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>
<p><b>Mr Huynh Van Dung</b> Member</p>	<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)*

<p><b>Mr Nguyen Gia Huy Chuong</b> Member</p>	<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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Dai-ichi Life Vietnam Fund Management Company Limited



Mr Tran Chau Danh  
Chief Executive Officer

Ho Chi Minh City, 12 August 2021



## 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 for the six-month period ended 30 June 2021, acknowledge that during period, 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. However, within the period from 04Feb'2021 to 22Feb'21 when this new fund DFVN\_FIX received its establishment license, there were some deviations on investment restrictions, with the details as below:

(i) From 04Feb'2021 to 08Feb'2021, DFVN-FIX has not started any investment activities yet as the DFVN needs to obtain the Fund Board of Representative's ("FRB") approval for the list of credit institutions receiving deposits, valuation manual, the list of organizations providing price quotation. Therefore, at the Net Asset Value ("NAV") reporting cycle as of 08Feb'2021, DFVN-FIX has not complied with article 2.14 of the Circular 98/2020/TT-BTC ("circular 98"): *"Bond fund is a fund has at least 80% of its Net Asset Value invested mainly in bonds, money market instruments, term deposits and other fixed income instruments"*. As per our record, on 17Feb'2021 (the first working day after Lunar New Year holidays), DFVN-FIX has placed term deposit at HSBC, which was in the list of deposit banks that's approved by the FRB and the investment ratio into term deposit increased up to 83.15% of its NAV as of 08Feb'2021 and the fund complied with article 2.14 of circular 98.

(ii) The investment into term deposit at HSBC on 17Feb'2021 as mentioned above did not comply with article 35.4.c of circular 98: *"The fund is not allowed to invest more than 20% of its total asset value into the outstanding securities, term deposit at commercial bank, money market instruments including valuable papers, negotiable instruments of an issuer, except for government debt securities"*. However, this deviation is allowed as stated in article 35.5.d of circular 98:

*"Due to the fund is newly established or established from a partial division, consolidation or merger of funds within the last 06 months from the issue date of the certificate of registration of fund establishment or the modified certificate of registration of fund establishment"*. At the NAV reporting cycle of DFVN-FIX as of 22Feb'2021, the investment ratio into term deposit at HSBC was 82.99% of its total asset.

At the reporting cycles that the deviations occurred, we notified DFVN and requested them rectifying the investment deviations to comply with circular 98.

As per our record, on the maturity date of the term deposit at HSBC on 24Feb'2021, DFVN-FIX had placed term deposit at five (5) commercial banks in the list of deposit banks that's approved by FRB and the investment ratio into term deposit at each bank



was below the threshold 20% of its total asset value and the fund complied with circular 98.

- b) Net asset value of DFVN-FIX is determined in line with the Fund's Charter, Prospectus and applicable laws and regulations;
- c) Subscription and redemption of Fund units complied with the Fund's Charter, Prospectus and applicable laws and regulations;
- d) In this period, 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, 30<sup>th</sup> July 2021

Representatives of the Supervisory Bank - Market & Securities Services



Mr. James Estough  
Head of Securities Services

Mr. Tran Huu Duy  
Supervisory Bank Officer





## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE INVESTORS OF DFVN FIXED INCOME FUND

We have reviewed the accompanying interim financial statements of DFVN Fixed Income Fund (“the Fund”) for the period from 4 February 2021 (date of the Fund’s establishment) to 30 June 2021 and approved by the Board of Representatives on 12 August 2021. The interim financial statements comprise the interim statement of income, the interim statement of changes in Net Asset Value, subscriptions and redemptions of Fund Certificates, and the interim statement of cash flows for the period from 4 February 2021 (date of the Fund’s establishment) to 30 June 2021, the interim statement of financial position and the statement of investment portfolio as at 30 June 2021, and explanatory notes to the interim financial statements including significant accounting policies, as set out on pages 19 to 51.

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

Board of Executives of the Fund Management Company is responsible for the preparation and the true and fair presentation of these interim financial statements in accordance with Vietnamese Accounting Standards, Vietnamese accounting regulations applicable for 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 management determines necessary to enable the preparation and fair presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor’s Responsibility**

Our responsibility is to express a conclusion on this interim financial information based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”.

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



## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, the financial position and the investment portfolio of the Fund as at 30 June 2021, and the results of its operations, changes in Net Asset Value, subscriptions and redemptions of Fund Certificates and cash flows for the period from 4 February 2021 (date of the Fund's establishment) to 30 June 2021 in accordance with Vietnamese Accounting Standards, Vietnamese accounting regulations applicable to open-ended funds including 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 review report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English copies, the Vietnamese copy 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

Report reference number: HCM11126  
Ho Chi Minh City, 12 August 2021

**INTERIM STATEMENT OF INCOME  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021**

<b>Code</b>	<b>Items</b>	<b>Note</b>	<b>For the period from 4.2.2021 (date of the Fund's establishment to 30.6.2021 VND</b>
<b>01</b>	<b>I. INVESTMENT PROFIT AND OPERATING INCOME</b>		<b>829,159,310</b>
03	1.2. Interest income	5.1	828,906,300
05	1.5. Other Revenue		253,010
<b>10</b>	<b>II. INVESTMENT EXPENSES</b>		<b>-</b>
<b>20</b>	<b>III. OPERATING EXPENSES</b>		<b>(636,416,802)</b>
20.1	3.1. Fund management fee	8(a)(i)	(221,292,890)
20.2	3.2. Custodian fees	8(a)(ii)	(102,749,996)
20.3	3.3. Supervising fee	8(a)(ii)	(43,057,149)
20.4	3.4. Fund administration fee	8(a)(ii)	(102,260,712)
20.5	3.5. Transfer agency fee	8(a)(ii)	(117,018,742)
20.10	3.10. Other operating expenses	5.2	(50,037,313)
<b>23</b>	<b>IV. PROFIT FROM INVESTMENT ACTIVITIES</b>		<b>192,742,508</b>

The notes on pages from 27 to 51 are an integral part of these interim financial statements.

**INTERIM STATEMENT OF INCOME  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

Code	Item	Note	For the period from 4.2.2021 (date of the Fund's establishment to 30.6.2021 VND
24	<b>V. NET OTHER INCOME AND EXPENSES</b>		-
30	<b>VI. PROFIT BEFORE BUSINESS INCOME TAX</b>		<b>192,742,508</b>
31	6.1. Realised profit	6.7	192,742,508
32	6.2. Unrealised profit	6.7	-
40	<b>VII. BUSINESS INCOME TAX ("TAX")</b>		-
41	<b>VIII. PROFIT AFTER TAX</b>		<b>192,742,508</b>



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

12 August 2021

Dai-ichi Life Vietnam Fund Management  
Company Limited  
**Ho Thi Mai Phuong**  
Operation Officer  
12 August 2021

Dai-ichi Life Vietnam Fund Management  
Company Limited  
**Tran Thi Anh Tram**  
Operation Senior Manager  
12 August 2021

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## INTERIM STATEMENT OF FINANCIAL POSITION

Code	Item	Note	As at 30.6.2021 VND
<b>100</b>	<b>I. ASSETS</b>		
110	1. Cash and cash equivalents	6.1	38,782,789,666
	<i>In which:</i>		
111	1.1. Cash for Fund's operations		1,782,789,666
112	1.2. Term deposits with maturity within 3 months		37,000,000,000
120	2. Net investments	6.2	24,000,000,000
121	2.1. Investments		24,000,000,000
130	3. Receivables		539,283,707
133	3.2. Interest receivables		490,651,508
137	3.3 Other receivables		48,632,199
<b>100</b>	<b>TOTAL ASSETS</b>		<b>63,322,073,373</b>
<b>300</b>	<b>II. LIABILITIES</b>		
314	4. Tax payables and obligations to the State Budget		18,036
316	6. Expense accruals	6.3	27,000,000
317	7. Subscription payables to unit holders	6.4	2,000,000
319	9. Fees payable to related service providers	6.5	115,910,071
<b>300</b>	<b>TOTAL LIABILITIES</b>		<b>144,928,107</b>

The notes on pages from 27 to 51 are an integral part of these interim financial statements.

**INTERIM STATEMENT OF FINANCIAL POSITION  
(continued)**

Code	Item	Note	As at 30.6.2021 VND
<b>400</b>	<b>III. DISTRIBUTABLE NET ASSET VALUE TO THE FUND UNIT HOLDERS</b>		
		6.6	<b>63,177,145,266</b>
411	1. Share capital		62,980,890,600
412	1.1. Subscription capital		63,055,869,700
413	1.2. Redemption capital		(74,979,100)
414	2. Share premium		3,512,158
420	3. Undistributed profits	6.6	192,742,508
<b>430</b>	<b>IV. NET ASSET VALUE PER FUND UNIT</b>	6.6	<b>10,031.16</b>
<b>440</b>	<b>V. DISTRIBUTED EARNINGS TO INVESTORS</b>		-
	<b>VI. OFF- BALANCE SHEET ITEMS</b>		
004	4. Number of outstanding Fund units	6.6	<u>6,298,089.06</u>



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**Tran Thi Anh Tram**  
Operation Senior Manager  
12 August 2021

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**INTERIM STATEMENT OF CHANGES IN NET ASSET VALUE,  
SUBSCRIPTIONS AND REDEMPTIONS OF FUND CERTIFICATES  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021**

No.	Items	For the period from 4.2.2021 (date of the Fund's establishment) to 30.6.2021 VND
I	<b>Net Asset Value (NAV) at the beginning of the period</b>	-
II	<b>Changes in Net Asset Value for the period</b>	<b>192,742,508</b>
	<i>In which:</i>	
II.1	Changes in Net Asset Value due to market fluctuation and the Fund's operations	192,742,508
III	<b>Changes in Net Asset Value due to subscriptions, redemptions of Fund Units</b>	<b>62,984,402,758</b>
	<i>In which:</i>	
III.1	Receipts from subscriptions	63,059,437,448
III.2	Payments for redemptions	(75,034,690)
IV	<b>Net Asset Value at the end of the period</b>	<b>63,177,145,266</b>
V	<b>Net Asset Value per Fund unit at the end of the period</b>	<b>10,031.16</b>



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**INTERIM STATEMENT OF INVESTMENT PORTFOLIO  
AS AT 30 JUNE 2021**

No.	Item	Total value as at 30.6.2020 VND	Percentage of total assets %
<b>IV</b>	<b>Other assets</b>		
1	Deposit interest received	490,651,508	0.77
2	Other receivables	48,632,199	0.08
3	Term deposits with maturity more than three (03) months	24,000,000,000	37.90
		<b>24,539,283,707</b>	<b>38.75</b>
<b>V</b>	<b>Cash</b>		
1	Cash at banks	1,782,789,666	2.82
2	Term deposits with maturity under three (03) months	37,000,000,000	58.43
		<b>38,782,789,666</b>	<b>61.25</b>
<b>VI</b>	<b>Total value of portfolio</b>	<b>63,322,073,373</b>	<b>100.00</b>



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Company Limited  
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Operation Senior Manager  
12 August 2021

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**INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)**  
**TO 30 JUNE 2021**  
**(Indirect method)**

Code	Item	Note	For the period from 4.2.2021 (date of the Fund's establishment to 30.6.2021 VND
	<b>I. Cash flow from investing activities</b>		
01	1. Profit before income tax		192,742,508
02	2. Adjustments for:		
04	Decrease in accrued expenses		27,000,000
05	3. Profit from investing activities before changes in working capital		219,742,508
20	Decrease in investments		(24,000,000,000)
07	Increase in dividend and interest receivables		(490,651,508)
08	Increase in other receivables		(48,632,199)
13	Increase in tax payables and obligations to the State Budget		18,036
14	Increase in subscriptions payable to unitholders		2,000,000
17	Increase in fees payable to related service providers		115,910,071
19	<b>Net cash outflow for investing activities</b>		<b>(24,201,613,092)</b>
	<b>II. Cash flow from financing activities</b>		
31	1. Receipts from subscriptions	6.6	63,059,437,448
32	2. Payments for redemptions	6.6	(75,034,690)
30	<b>Net cash inflow from financing activities</b>		<b>62,984,402,758</b>
40	<b>III. Net increase in cash in the period</b>		<b>38,782,789,666</b>

The notes on pages from 27 to 51 are an integral part of these interim financial statements.

**INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)**  
**TO 30 JUNE 2021**  
**(Indirect method)**  
**(continued)**

Code	Item	Note	For the period from 4.2.2021 (date of the Fund's establishment to 30.6.2021 VND
50	<b>IV. Cash and cash equivalents at the beginning of the period</b>	6.1	-
55	<b>V. Cash and cash equivalents at the end of the period</b>	6.1	<b>38,782,789,666</b>
57	Cash at bank for the Fund's operations		38,780,789,666
58	Cash at bank for the subscription		2,000,000
60	<b>VI. Changes in cash and cash equivalents in the period</b>		<b>38,782,789,666</b>



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12 August 2021

The notes on pages from 27 to 51 are an integral part of these interim financial statements.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021**

**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 certificates 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 certificates 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 VND50,173,500,000.

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 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 INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(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 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)	<ul style="list-style-type: none"> <li>Cash balance on the date prior to the valuation date</li> </ul>
2	Foreign currencies	<ul style="list-style-type: none"> <li>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.</li> </ul>
3	Deposits with fixed terms	<ul style="list-style-type: none"> <li>Value of the deposits plus outstanding interest accrued thereon calculated up to the date before the valuation date.</li> </ul>
4	Treasury bills, bank notes, bills of exchange, transferable certificates of deposit, bonds and discounted money market instruments	<ul style="list-style-type: none"> <li>Purchase price plus accumulative interest calculated up to the day preceding the valuation date.</li> </ul>
5	Non-interest financial instruments including bills, bonds, valuable papers and other non-interest financial instruments	<ul style="list-style-type: none"> <li>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 Board of Representatives and holding period of the financial instruments.</li> </ul>
<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 Board of Representatives ("BoR").</li> </ul>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(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 ;               <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 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> </ul> </li> <li>• Valuation methodology approved by BoR.</li> </ul>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(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 certificates***

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 INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(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 percent (30%) 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 INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(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:

- a) Fluctuations in the market value of the assets in the Fund's investment portfolio;
- b) Making payments of the Fund legally in accordance with the law, including the execution of trading orders of investors;
- c) Splitting merging, consolidation, and acquisition of issuing organisation;
- d) 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 or amendment of registration certificate for fund's establishment; and
- e) 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 incompliant 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 Fund's fiscal year starts on 1 January and ends on 31 December.

The first financial statements of the Fund are the interim financial statements which prepared for the period from 4 February 2021 (date of the Fund's establishment) to 30 June 2021.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

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

**2.2 Currency**

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

In accordance with Circular 198/2012/TT-BTC, the Fund's interim financial statements include the following reports:

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

**3.2 Registered accounting documentation system**

The registered accounting documentation system is the General Journal system.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(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 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.

***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. Revaluation amount is determined in compliance with prevailing laws on securities and the Fund's Charter is presented in Note 1.2. and the Valuation Manual approved by the Board of Representatives.

***Term deposits***

Term deposits are measured at principal plus accrued interest as of the date prior to the valuation date.

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

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

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

**4 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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 interim 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 interim statement of income.

**4.4 Payables**

Payables presented in the interim 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:

**Distribution of dividends to unitholders**

When the Fund distributes dividends to unitholders, 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 ("Circular 96/2015/TT-BTC") and Circular 111/2013/TT-BTC dated 15 August 2013 ("Circular 111") 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 General Department of Taxation regarding profit distributions to institutional unitholders. Accordingly, when the Fund distributes dividends to institutional unitholders, regardless of local or foreign institutional unitholders, the Fund Management Company is required to withhold 20% of their distributed profits (excluding the Fund's distributed profits already imposed with corporate income tax in the previous stage and the Fund's bond interest earned from tax-free bonds in accordance with the current regulations). When the Fund distributes dividends to individual unitholders, the Fund Management Company is required to withhold personal income tax which is 5% of their distributed profits.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

**4 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.5 Taxation (continued)**

**Redemption of Fund Certificates**

The Fund Management Company is required to withhold income tax when it redeems its certificates from individual unitholders (both residents and non-residents) and foreign institutional unitholders according to Circular 111 amended by Circular 92, 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. Tax rate is 0.1% of redemption proceeds. The Fund Management Company is not responsible for withholding tax on redemptions from local institutional unitholders. These unitholders take responsibility for their own tax declaration and payment according to Circular 78/2014/TT-BTC amended by Circular 98/2015/TT-BTC.

**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.

**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 Certificates 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 Certificate subscription cycles after the conversion date or in switches of fund certificates 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 Certificate redemption cycles after establishment date or in switches of fund certificates between open-ended funds under common management of the Fund Management Company. Redemption capital is recorded at par value.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

**4 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.7 Share capital and undistributed profits (continued)**

*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 period are the difference of total income and revenue after deducted unrealised gains from revaluation of investments and total expenses.

Unrealised profits incurred during the period 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 period.

*Profits/assets distributed to unitholders*

These are profits/assets distributed to unitholders during the period and their amounts are deducted against undistributed profits.

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

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

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(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 interim 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 interim financial statements indicate nil balance.

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

**5.1 Interest income**

	<b>For the period from 4.2.2021 (date of the Fund's establishment) to 30.6.2021 VND</b>
Received interest income	338,254,792
Accrued interest income	490,651,508
	<u>828,906,300</u>



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

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

**5.2 Other operating expenses**

	<b>For the period from 4.2.2021 (date of the Fund's establishment) to 30.6.2021 VND</b>
Remunerations to the Board of Representatives (Note 8(a)(iii))	44,035,713
Bank charges (Note 8(a)(ii))	6,001,600
	<u>50,037,313</u>

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

**6.1 Cash and cash equivalents**

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

	<b>As at 30.6.2021 VND</b>
<b>1. Cash at HSBC Bank (Vietnam ) Limited for the Fund's operations</b>	
Cash for the Fund's operations (Note 8(b))	1,780,789,666
Cash for the Fund's subscription (Note 8(b))	2,000,000
<b>2. Term deposits with maturity within three (03) months</b>	
Asia Commercial Joint Stock Bank	11,800,000,000
VietNam Joint Stock Commercial Bank for Industry and Trade	11,600,000,000
The Joint Stock Commercial Bank for Investment and Development of Vietnam	8,000,000,000
Lien Viet Post Joint Stock Commercial Bank	5,600,000,000
	<u>38,782,789,666</u>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

**6 ADDITIONAL INFORMATION TO THE INTERIM 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 30 June 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	24,000,000,000	-	-	24,000,000,000

**6.3 Accrued expenses**

	As at 30.6.2021 VND
Remunerations to the Board of Representatives (Note 8(b))	27,000,000

**6.4 Subscription payable to unitholders**

Subscription payable to unitholders represents cash received from unitholders for subscription and in progress for issuance.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

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

**6.5 Fees payable to related service providers**

	<u>As at 30.6.2021 VND</u>
<b>Payables to Fund Management Company</b>	
Fund management fee (Note 8(b))	46,391,403
<b>Payables to Supervising and Custodian Bank</b>	
Custody fee (Note 8(b))	21,000,000
Supervising fee (Note 8(b))	8,800,002
	<u>29,800,002</u>
<b>Payables for Transfer agency service and Fund admin service</b>	
Fund administration fee (Note 8(b))	20,899,998
Transfer agency fee (Note 8(b))	18,818,668
	<u>39,718,666</u>
	<u>115,910,071</u>

**6.6 Movements in owners' equity**

		For the period from 4.2.2021 (date of the Fund's establishment) to 30.6.2021	As at 30.6.2021
	Unit		
<b>Subscription capital</b>			
Number of Fund Certificates	Unit	6,305,586.97	6,305,586.97
Subscription capital at par value	VND	63,055,869,700	63,055,869,700
Share premium of subscription capital	VND	3,567,748	3,567,748
<b>Total subscription capital</b>	VND	<b>63,059,437,448</b>	<b>63,059,437,448</b>
<b>Redemption capital</b>			
Number of Fund Certificates	Unit	(7,497.91)	(7,497.91)
Redemption capital at par value	VND	(74,979,100)	(74,979,100)
Share premium of redemption capital	VND	(55,590)	(55,590)
<b>Total redemption capital</b>	VND	<b>(75,034,690)</b>	<b>(75,034,690)</b>
<b>Total contribution capital</b>	VND	<b>62,984,402,758</b>	<b>62,984,402,758</b>
Accumulated profits/(loss)	VND	192,742,508	192,742,508
<b>Net Asset Value</b>	VND	<b>63,177,145,266</b>	<b>63,177,145,266</b>
<b>Number of outstanding Fund Units</b>	Unit	<b>6,298,089.06</b>	<b>6,298,089.06</b>
<b>NAV per Fund unit</b>	VND/Unit		<b>10,031.16</b>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

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

**6.7 Accumulated profits**

	For the period from 4.2.2021 (date of the Fund's establishment to 30.6.2021 VND	As at 30.6.2021 VND
Realised gains	192,742,508	192,742,508
Unrealised gains	-	-
<b>Accumulated profits</b>	<b>192,742,508</b>	<b>192,742,508</b>

**7 NET ASSET VALUE (NAV)**

**For the period from 4.2.2021 (date of the Fund's establishment) to  
30.6.2021**

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	01/05/2021	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

**Average NAV of the period** **61,061,368,236**

**Changes in NAV per certificate during the period - highest level** **9.90**  
**Changes in NAV per certificate during the period - lowest level** **0.13**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(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*

	<b>For the period from 4.2.2021 (date of the Fund's establishment) to 30.6.2021 VND</b>
Fund management fee	221,292,890

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*

	<b>For the period from 4.2.2021 (date of the Fund's establishment to 30.6.2021 VND</b>
Transfer agency service fee	117,018,742
Custodian fee	102,749,996
Fund administration fee	102,260,712
Supervising fee	43,057,140
Bank charges (Note 5.2)	6,001,600

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 INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(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 VND19,000,000 per month

Transfer agency fees include two groups of fees as follows:

- Group of fee calculated based on NAV or transaction value include:
  - Annual maintenance service fees: 0.04% annual NAV. Minimum transfer agency maintenance fee is VND17,000,000 per month.
  - Registration fees for new purchase, acquisition, conversion, transfer: 0.03% of transaction value of new purchase, acquisition, conversion, transfer.
- Group of fee calculated based on actual amount incurred include:
  - Data setup fees include VND15,000 per fund unit holder and VND1,000,000 per discussion agent.
  - Other fees such as mails delivery fees VND100,000 per fund unit holder, HSBC net equipment fee VND300,000 per equipment and other fees.

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

(iii) *Board of Representatives' remunerations*

**For the period  
from 4.2.2021  
(date of the Fund's  
establishment)  
to 30.6.2021  
VND**

Board of Representatives' remunerations (Note 5.2)	<u>44,035,713</u>
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**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

**8 RELATED PARTIES TRANSACTIONS (continued)**

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

*(iii) Board of Representatives' remunerations (continued)*

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 interim statement of income.

**(b) Balances with related parties**

As at 30 June 2021, the Fund had the following balances with related parties:

	<b>As at 30.6.2021 VND</b>
<b>Dai-ichi Life Vietnam Fund Management Company Limited</b>	
Fund management fee payable (Note 6.5)	46,391,403
<b>HSBC Bank (Vietnam) Limited</b>	
Cash for the Fund's operations (Note 6.1)	1,782,789,666
Custody fee (Note 6.5)	21,000,000
Fund administration fee (Note 6.5)	20,899,998
Transfer agency service fee (Note 6.5)	18,818,668
Supervising fee (Note 6.5)	8,800,002
<b>Board of Representatives</b>	
Accrued Board of Representatives' remunerations (Note 6.3)	27,000,000

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

**9 THE FUND'S PERFORMANCE INDICATORS**

	<b>For the period from 4.2.2021 (date of the Fund's establishment to 30.6.2021 VND</b>
<b>I Investment performance</b>	
1 Management fee paid to Fund Management Company/Average NAV during the period (%)	0.90%
2 Custody, supervising fee paid to Supervising Bank/Average NAV during the period (%)	0.59%
3 Fund administration fee and other expenses paid to related service suppliers/Average NAV during the period (%)	0.89%
4 Audit fee/Average NAV during the period (%)	0.00%
5 Legal advisory fee, quotation fee and other fees, remunerations paid to the Fund Board of Representatives/Average NAV during the period (%)	0.18%
6 Operation expenses/Average NAV during the period (%)	2.59%
7 Turnover of investment portfolio during the period	0.00%



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

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

	<b>For the period from 4.2.2021 (date of the Fund's establishment to 30.6.2021 VND</b>
<b>II Others</b>	
<b>1 Fund scale at the beginning of the period (calculated on par value of Fund units)</b>	
Total value of Fund units at the beginning of the period	-
Total number of Fund units at the beginning of the period	-
<b>2 Change in Fund scale during the period (calculated on par value of Fund units)</b>	
Number of issued Fund units during the period	6,305,586.97
Value of subscription capital during the period (at par value)	63,055,869,700
Number of redeemed Fund units during the period	(7,497.91)
Value of redemption capital during the period (at par value)	(74,979,100)
<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 period	62,980,890,600
Total number of Fund units at the end of the period	6,298,089.06
<b>4 Percentage of Fund units held by the Fund Management Company and related parties at the end of the period (%)</b>	<b>96,73%</b>
<b>5 Proportion of Fund units held by 10 largest unitholders at the end of the period (%)</b>	<b>98,71%</b>
<b>6 Percentage of Fund units held by foreign unitholders at the end of the period (%)</b>	<b>95,27%</b>
<b>7 Number of unitholders at the end of the period</b>	<b>593</b>
<b>8 NAV/Fund unit at the end of the period</b>	<b>10,031.16</b>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

**10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE**

On 6 November 2009, the Vietnamese Ministry of Finance issued Circular 210/2009/TT-BTC providing guidance on the application of International Accounting Standards regarding the presentation and disclosure of financial instruments ("Circular 210/2009/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 30 June 2021, there were no any doubtful debts.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

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

**(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 Certificates 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.

As at 30 June 2021, all of the Fund's liabilities were due within 1 year.

As at 30 June 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. This risk arises when the market interest rate increases, the value of fixed income instruments held by the Fund such as corporate bonds, government bonds, decrease, especially for long-term investments.

As at 30 June 2021, the Fund's exposure to market risk due to change in interest rates is minimal since all term deposits have fixed interest rates.

*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.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(continued)**

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

**(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 (03) months;
- 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.

Fair value measurement approach has not been stipulated in neither Circular 210/2009/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 30 June 2021 are as follows:

	<b>As at 30 June 2021</b>	
	<b>Carrying value VND</b>	<b>Fair value VND</b>
<b>Financial assets</b>		
Cash and cash equivalents	38,782,789,666	38,782,789,666
Net Investments	24,000,000,000	24,000,000,000
- <i>Term deposits with maturity more than 3 months</i>	24,000,000,000	24,000,000,000
Net interest receivables	490,651,508	490,651,508
- <i>Interest receivables</i>	490,651,508	490,651,508
- <i>Other receivables</i>	48,632,199	48,632,199
<b>Total</b>	<b>63,322,073,373</b>	<b>63,322,073,373</b>
<b>Financial liabilities</b>		
Expense accruals	27,000,000	27,000,000
Subscription payable to unitholders	115,910,071	115,910,071
Fees payable to related service providers	2,000,000	2,000,000
<b>Total</b>	<b>144,910,071</b>	<b>144,910,071</b>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 4 FEBRUARY 2021 (DATE OF THE FUND'S ESTABLISHMENT)  
TO 30 JUNE 2021  
(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 interim financial statements.

**12 APPROVAL OF THE INTERIM FINANCIAL STATEMENTS**

The interim financial statements for the period from 4 February 2021 (date of the Fund's establishment) to 30 June 2021 were approved by the Board of Representatives on 12 August 2021.



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**  
Operation Officer

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

