

DRAGON CAPITAL



**FUEVFNVD** VFMVN  
DIAMOND ETF

**DOCUMENTS AND VOTING CONTENTS**

ANNUAL GENERAL MEETING OF INVESTORS OF FINANCIAL YEAR 2020 –  
2<sup>ND</sup> TIME

Dragon Capital Vietnam Investment Fund Management Joint Stock Company  
(DCVFM)



### **Translation Accuracy Disclaimer**

*This document is a translation of Fund document Of The Annual General Meeting Of Financial Year 2020 – 2<sup>nd</sup> Time. The translation is for informational purposes only, and is not a substitute for the official policy. The original version of Fund document, found in website of the fund management company ([www.dcvfm.com.vn](http://www.dcvfm.com.vn)) is the only definitive and official version. If any questions arise related to the accuracy of the information contained in the translation, please refer to the Vietnamese version of the document. Any discrepancies or differences created in the translation are not binding and have no legal effect for compliance or enforcement purposes.*

## Meeting Agenda

### A. Agenda

<b>Time</b>	:	10:00am, Tuesday, 27/04/2021
<b>Venue</b>	:	Dragon Capital Vietfund Management Unit 1701-04, 17th Floor, Melinh Point Tower 2 Ngo Duc Ke Street, District 1, Ho Chi Minh City, Vietnam
<b>Meeting format</b>	:	Direct meeting
<b>Attendance</b>	:	Investor can attend directly/via authorized representative or send voting note to the meeting.

### B. Content

#### Part 1: Welcoming guests and meeting opening

- Welcoming guests.
- Announcement on attendance rate.
- Approval on meeting agenda.
- Approval on Board of Chairman, Board of Secretary, Board of Votes Checking.
- Opening speech.

#### Part 2: Market review & Fund's performance update

- Fund's performance update.
- Fund's performance in 2020.
- Fund's operation plan in 2021.

#### Part 3: Reporting & Voting

- Reporting on:
  - Supervisory report from Custodian bank in 2020.
  - BOR activities in 2020.
- Voting on:
  - Fund's performance in 2020.
  - Fund's Audited Financial Statements in 2020.
  - 2020 Dividend distribution.
  - Fund's operation plan in 2021.
  - Fund's Auditor selection in 2021.
  - Operation budget for BOR in 2021.
  - Change of Fund's name.
  - Fund's Charter amendments.
  - Change of the term of BOR.
  - Others (if any).
- The meeting minutes, meeting resolution.
- Meeting ending.



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## A. REPORTS

### I. BOR activities in 2020

#### 1. Membership

Chairwomen: Ms. Nguyễn Bội Hồng Lê

Member: Ms. Vương Thị Hoàng Yến

Member: Ms. Trần Ngọc Hân

#### 2. Report on BOR's activities in 2020

To carry out the responsibilities and power of the Board, in 2020 the Board conducted 4 meetings via papers on the date of May 4<sup>th</sup> 2020, August 1<sup>st</sup> 2020, October 26<sup>th</sup> 2020 and February 4<sup>th</sup> 2021 to approve the followings:

- Fund's quarterly performance report.
- Fund's quarterly risk management report.
- Fund's planning in the next quarter.
- The auditor of the Fund is KPMG.
- Evaluation book of Fund, policy on organization and operation of the Board, list of deposit banks, Risk management policy, list of securities companies.
- Mechanism of put-through transactions of listed stock and bond.
- Report on the Board' activities in 2020 and the Board's budget in 2021.
- Draft of voting regulations at Annual General Meeting.
- Agenda of AGM 2020.

## B. VOTING CONTENTS

VFMVN DIAMOND ETF  
(FUEVFNVD)  
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SOCIALIST REPUBLIC OF VIETNAM  
Independence – Liberty – Happiness  
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### VOTING CONTENTS

To: Valued Investors

Dragon Capital VietFund Management Joint Stock Company (DCVFM) submits to the Annual General Meeting of Investors of Financial Year 2020 – 2<sup>nd</sup> Time of VFMVN DIAMOND ETF (FUEVFNVD) the voting contents for approval as follows:

#### I. Fund's performance in 2020

Cumulative Performance Chart



	Value as of 31/12/2020	Average Annual Total Return (%)	
		2020	Từ khi thành lập (23/3/2020)
NAV/Unit	16,973.4	97.9	NAV/Unit
VN Diamond Index	1,195.6	96.6	VN Diamond Index

- At December 31, 2020, the VFMVN Diamond ETF's net asset value per share was VND16,973.4, gained 69.7% this year whilst the return of VN Diamond Index was 68.9%. Annualised return since inception of the fund and the index are 97.9% and 96.6% respectively.
- Tracking Difference between VFMVN Diamond ETF and VN Diamond Index was +0.8% and Tracking Error was 0.57%.
- VFMVN Diamond portfolio rebalanced quarterly, with turnover ratio of 15.2% of average portfolio value.

- VFMVN Diamond ETF launched its IPO in March 2020 and raised VND102 billion. By the end of 2020, total subscription value for this year was VND4,115 billion and number of outstanding shares was 311.1 million (30.5 times higher than at IPO).
- Net asset value of the fund by the end of 2020 increased 51.8 times compared to IPO thanks to foreign investors' subscription and good stock market performance.

## II. Fund's audited financial statement in 2020

Please see the content of Fund's Audited Financial Statement in 2020 on DCVFM's website at [www.dcvfm.com.vn](http://www.dcvfm.com.vn).

## III. 2020 Dividend distribution

Pursuant to Fund charter of VFMVN Diamond ETF:

- The objective of VFMVN DIAMOND ETF is to replicate the performance of VN DIAMOND Index as closest as possible. Therefore, the fund will not pay dividend.
- All profit from VFMVN DIAMOND ETF will be re-invest to increase net asset value.

## IV. Fund's operation plan in 2021

To achieve the objective of the VFMVN DIAMOND ETF Fund is to replicate the performance of the Benchmark Index as closest as possible; VFMVN DIAMOND ETF will focus on the main points as follow:

- Monitor and update the volume and corporate action events of constituents in Benchmark Index to adjust the proportion of the portfolio closely the proportion of the Benchmark Index.
- Analyze the factors affecting the tracking error between the Fund and the Benchmark Index (if any) to have portfolio management solutions effectively.
- Research rebalancing strategies to adjust the proportion of the portfolio when Benchmark Index changes its constituents.

## V. Fund's auditor selection in 2021

DCVFM has received the 2021 audit proposals from the top 03 audit firms in Vietnam as follows:

Fund	NAV @ 31 Dec 2020 (bil VND)	Audit fee for 2020 (mil VND)	Audit fee proposals for 2021 (mil VND)		
			PwC	KPMG	(bil VND)
FUEVFNVD	5,280.43	100.00	190	150	60
<b>% change</b>			<b>90%</b>	<b>50%</b>	<b>-40%</b>

Note: The above fees exclude VAT.

Propose:

- Based on the above proposals, DCVFM suggest investors authorize The Board of Representatives to select the audit firm among PwC, KPMG and E&Y to audit the fund's 2021 financial statements
- The selection of the audit firm will base on the followings :
  - Reasonable fee.
  - Continuity of the audit firm.
  - Professional.
  - Capability to meet fund's requirements.

## VI. Operation expenditure in 2020 and operation budget for BOR in 2021

Pursuant to point b part 13 Article 19, Circular 98/2020/TT-BTC regarding to guidelines of fund management activities issued by Misnistry of Finance on November 16<sup>th</sup>,2020 regulating the budget of Board of representatives of the fund, below is the actual cost of Board of representatives in 2020 and the proposal of the budget of the Board in 2021:

1. Board of representatives' activities cost in 2020 compared to approved budget:

No.	Name of cost	Budget in 2020	Actual in 2020	% increase
1	Remuneration	68,250,000	68,262,295	0.02%

2. Proposal of BoR budget in 2021:

No.	Name of cost	Budget in 2020	Actual in 2020	% increase
1	Remuneration	117,000,000	68,262,295	71.4%

Remarks: BoR's remuneration is unchanged:

- o BoR's remuneration is unchanged:  
Chairman: 4 million dong/ month  
Member: 2 million dong/ month  
Secretary: 1 million dong/ month
- o The actual cost in 2020 has been calculated since one month after AGM in May 2020;
- o The budget in 2021 is calculated for 13 month duration.

3. Activities of Board of representatives:

All meetings of Board of representatives will be in form of tele-conference or via papers hence meeting costs will be very small. Therefore, DCVFM will not propose the budget of meeting costs of BoR and also will not accrue this cost in periodic NAVs of the Fund. Instead, DCVFM will account for this cost in relevant NAV when it actually incurs.

The actual cost regarding meetings of BoR's in 2021 will be reported to the BoR and the next AGM.

## VII. Change of Fund's name

Pursuant to:

- Article 217 of Decree No 155/2020/NĐ-CP dated 31 December 2020 by the Government, guiding the implementation of a number of articles of the Securities Law, taking effect from January 1, 2021:

*"Article 217. Names of the securities investment fund or securities investment company*

*The Vietnamese name of a securities investment fund or securities investment company must comply with the provisions of law on enterprises and must have at least two of the following elements:*

*1. Name of the fund type: The name of the fund type is written as "investment fund" for closed funds, open funds, member funds; written as "real estate investment fund" for real estate investment fund; is written as an "ETF" for a portfolio swap fund; is written as "securities investment joint stock company" for securities investment companies.*

*2. Own name: consistent with the investment objectives, investment strategy of the fund. For an ETF, the fund's proper name includes the initials of the securities investment fund management company and its reference index."*

- The amended license No. 88 / GPĐC-UBCK issued by the State Securities Commission (SSC) on December 30<sup>th</sup>, 2020 to approved for change name of fund management company with detail as follow:



No.	Content	Former Name	New Name	Note
1	Company Vietnamese Name	Công ty Cổ phần Quản lý Quỹ Đầu tư Việt Nam	Công ty Cổ phần Quản lý Quỹ Đầu tư Dragon Capital Việt Nam	Change
2	Company English Name	Vietnam Investment Fund Management Joint Stock Company	Dragon Capital Vietfund Management Joint Stock Company	Change
3	Abbreviated Name	VFM	DCVFM	Change
4	Company Vietnamese Trading Name	Vietfund Management	Công ty Quản lý Quỹ Dragon Capital Việt Nam	Change
5	Company English Trading Name	Vietfund Management	Dragon Capital Vietfund Management	Change

Therefore, Dragon Capital Vietfund Management Joint Stock Company (DCVFM) submits to the Annual General Meeting of Investor off Financial Year 2020 – 2<sup>nd</sup> Time for approval of the change of Fund's name and authorize DCVFM to carry out all the procedures related to the revocation of the fund's name in accordance with current law as follows:

No.	Content	Former Name	New Name	Note
1	Vietnamese Name	Quỹ ETF VFMVN DIAMOND	Quỹ ETF DCVFMVN DIAMOND	Change
2	English Name	VFMVN DIAMOND ETF	DCVFMVN DIAMOND ETF	Change

The above changes in the name of the fund will take effect when The adjusted certificate of registration for establishment of the fund is issued by a competent state agency.

### VIII. Fund's charter amendments

On the Approval of amendments and supplements to the Fund Charter in accordance with current laws effective from 1 January 2021.

Pursuant to:

- *Interprises Law No 59/2020/QH14 promulgated by the National Assembly of the Socialist Republic of Vietnam dated June 17, 2020, taking effect from January 1, 2021;*
- *Securities Law No 54/2019/QH14 promulgated by the Socialist Republic of Vietnam on November 26, 2019, taking effect from January 1, 2021;*
- *Decree No 155/2020/NĐ-CP dated 31 December 2020 by the Government, guiding the implementation of a number of articles of the Securities Law, taking effect from January 1, 2021;*
- *Circular 96/2020/TT-BTC dated November 16, 2020 by the Ministry of Finance providing guidelines on disclosure of information on securities market, taking effect from January 1, 2021;*
- *Circular 98/2020/TT-BTC dated 16 December 2020 by the Ministry of Finance guiding the establishment and management of the securities Fund, taking effect from January 1, 2021;*
- *Circular 99/2020/TT-BTC dated 16 November 2020 by the Ministry of Finance guiding the establishment, organization and operation of the fund management company, taking effect from January 1, 2021.*
- *Other relevant legal documents.*

Dragon Capital Vietfund Management Joint Stock Company (DCVFM) submits to the Annual General Meeting of Investors of Financial Year 2020 – 2<sup>nd</sup> Time of VFNVN Diamond ETF (FUEVFNVD) for approval of all content of Fund's Charter amendments in accordance with

current laws effective from 1 January 2021.

## IX. Change on The term of BOR

Pursuant to:

- Pursuant to Clause 1, Article 33 of the Circular 98/2020/TT-BTC dated 16 December 2020 by the Ministry of Finance guiding the establishment and management of the securities Fund, taking effect from January 1, 2021:

*"Article 33. Term and criteria for selection of members of the Board of Representatives*

*1. The term of a member of the Board of Representatives shall not exceed 05 years and may be re-elected for an unlimited number of terms. "*

- Pursuant to the Proposal on approving amendments and supplements to the Fund Charter in accordance with current law effective from January 1, 2021 and The Amended and Supplemented Charter attached to the statement at the General Investors' Meeting- Annual fiscal year 2020 of VFMVN DIAMOND ETF (FUEVFNVD), in which the content proposed to adjust the regulation of the Board of Representatives's term from three (03) years to (05) years.

Therefore, Dragon Capital Vietfund Management Joint Stock Company (DCVFM) submits to the Annual General Meeting of Investors of Financial Year 2020 – 2<sup>nd</sup> Time of VFMVN DIAMOND ETF (FUEVFNVD) for approval of the change of the term of the Board of Representatives from three (03) years to (05) years, detail as follow:

No.	Content	Current term	Change of term	Note
1	The term of the Board of Representatives	2020-2023	2020-2025	Change

## X. Draft regulation of voting at the meeting

### 1. Purpose

Approval of voting issues of the Annual General Meeting of Financial Year 2020 of VFMVN DIAMOND ETF.

### 2. Voting principles

- Corect, comply to the law and Fund charter.
- The number of votes are calculated according to the number of fund units owned by investors or owned by representatives of investors.
- The voting results are calculated on the total number of agreed votes of all investors attending the meeting.

### 3. Implementation

#### 3.1. Regulation

- Investors/Authorized person attending the meeting with voting right will entitled to vote before attending the meeting. Voting cards are issued only once for each investor code and cannot be canceled for any reason during the time of meeting.
- Investors send voting note to the meeting via mail, fax, email.
- Contents of Voting note:
  - o The Annual General Meeting of Investors of Financial Year 2020 – 2<sup>nd</sup> Time.
  - o Number and/or name of investor/ number of votes...
  - o Method of voting:
    - Agree
    - Disagree
    - No opinion

#### 3.2. Classification of votes

- Valid vote:
  - o For invetors attending directly at the meeting: According to the printed form issued by the organizing committee (with stamp), note earased or modified.

When an issue is arisen for voting, each investor code/ each investor can only use one of the three voting methods above.

- o For investors who send voting note to the AGM: Investors send voting note according to the regulation of voting to the meeting by sending mail, fax, or email to Dragon Capital VietFund Management (DCVFM) before 17:00pm the day immediately preceding the meeting. Choose one of the three voting methods above.
- Invalid note:
  - o Failure to comply with the regulations of valid vote.

### 3.3. Consolidating voting result

- The board of checking is responsible for consolidating the voting result for each issue and issuing the minutes of checking.
- Invalid votes are counted as not participating the vote.
- Minutes of checking must contain the following results:
  - o Ratio of number of agreed votes to the total number of votes of investors attending the meeting directly and/or sending the voting note to DCVFM in accordance with regulation and/or through the authorized representatives.
  - o Ratio of disagreed votes to the total number of votes of investors attending the meeting directly and/or sending the voting note to DCVFM in accordance with regulation and/or through the authorized representatives.
  - o Ratio of votes with no opinion on the total number of votes of investors attending the meeting directly and/or sending the voting note to DCVFM in accordance with regulation and/or through the authorized representatives.

## 4. Voting result

- Percentage of voting results are rounded to 02 (two) decimals.
- Issues given to the vote at the meeting are approved when there are at least fifty one percent (51%) of the total votes of all investors attending the meeting directly and/or submit the voting note to the meeting and/or through the authorized representatives.
- Exception case of voting to approve: fundamental changes in investment strategy, investment objectives; raise of services prices paid for fund management company, custodian bank; fund division, split, merger, consolidation, dissolution of the fund; change of the term of fund's operation is only approved when there are more than sixty five (65%) percent of the total votes of all investors attending the meeting directly and/or submit the voting note to the meeting and/or through the authorized representatives.
- Checking result is announced by the board of checking before the meeting ends.

## 5. Period of validity

The above voting method will take effect immediately after the approval of the meeting.

On behalf of Dragon Capital VietFund Management



BEAT SCHURCH  
CEO



## C. DRAFT RESOLUTION

DRAFT

### RESOLUTION

#### VOTING ISSUES OF THE ANNUAL GENERAL MEETING OF INVESTORS OF FINANCIAL YEAR 2020 – 2<sup>ND</sup> TIME

#### VFMVN DIAMOND ETF FUND (FUEVFNDD)

- Pursuant to Law No. 54/2019/QH14 on Securities Law dated 26 November 2019 by the National Assembly;
- Pursuant to Decree No 155/2020/NĐ-CP dated 31 December 2020 by the Government, guiding the implementation of a number of articles of the Securities Law;
- Pursuant to Circular 99/2020/TT-BTC dated 16 November 2020 by the Ministry of Finance guiding the establishment, organization and operation of the fund management company;
- Pursuant to Circular 98/2020/TT-BTC dated 16 December 2020 by the Ministry of Finance guiding the establishment and management of the securities Fund;
- Pursuant to current Charter of VFMVN DIAMOND ETF Fund approved by the General Meeting of Investor;
- Pursuant to the result of Voting Issues Of The Annual Meeting Of Financial Year 2020 – 2<sup>nd</sup> Time dated / /2021.

### RESOLUTES

The General Meeting unanimously passed the Resolution as follows:

**Article 1: Reports on Fund's performance in 2020.**

**Article 2: Fund's audited financial statement in 2020.**

**Article 3: 2020 dividend distribution.**

**Article 4: Fund's operation plan in 2021.**

**Article 5: Fund's auditor selection in 2021.**

**Article 6: Operation budget for BOR in 2021.**

**Article 7: Change of Fund's name.**

**Article 8: Fund's Charter amendments.**

**Article 9: Change of the term of BOR.**

**Article 10: Effectiveness of the Resolution.**

The resolution is effective from its signing date.

On behalf of the AGM  
NGUYỄN BỘI HỒNG LÊ  
Chairman of BOR

On behalf of DCVFM  
BEAT SCHURCH  
CEO