



**Vietnam Investment Fund Management  
Joint Stock Company**

Financial Statements for the year ended  
31 December 2016

## Vietnam Investment Fund Management Joint Stock Company Corporate Information

<b>Investment Licence No.</b>	01/GPDT-UBCKNN	15 July 2003
	179/QD-UBCK	18 August 2003
	58/QD-UBCK	7 March 2005
	766/QD-UBCK	8 December 2006
	253/QD-UBCK	5 April 2007
	16/UBCK-GP	23 June 2008
	45/UBCK-GP	8 January 2009
	63/UBCK-GP	24 February 2010
	73/UBCK-GP	24 June 2010
	79/UBCK-GP	4 November 2010
	361/QD-UBCK	18 April 2012
	36/GPDC-UBCK	28 May 2012
	17/GPDC-UBCK	3 June 2013

The Investment Licence and its updates were issued by the State Securities Commission of Vietnam. The Investment Licence and its updates are valid for 50 years from the date of Investment Licence No. 45/UBCK-GP.

<b>Board of Management</b>	Mr. Dominic Scriven Mr. Tran Thanh Tan Ms. Luong Thi My Hanh Mr. Le Hoang Anh Mr. Nguyen Van Cuu	Chairman Vice Chairman Member Member Member
<b>Board of Directors</b>	Mr. Tran Thanh Tan Ms. Luong Thi My Hanh Mr. Tran Le Minh Mr. Nguyen Minh Dang Khanh Mr. Tran Van Hieu	Chief Executive Officer Deputy General Director Deputy General Director Deputy General Director Deputy General Director (from 2 March 2017)
<b>Registered Office</b>	17th Floor, Me Linh Point 2 Ngo Duc Ke Street Ben Nghe Ward, District 1 Ho Chi Minh City Vietnam	
<b>Auditor</b>	KPMG Limited Vietnam	

## **Vietnam Investment Fund Management Joint Stock Company Statement of the Board of Directors**

The Board of Directors of Vietnam Investment Fund Management Joint Stock Company (“the Company”) presents this statement and the accompanying financial statements of the Company for the year ended 31 December 2016.

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to financial reporting. In the opinion of the Company’s Board of Directors:

- (a) the financial statements set out on pages 5 to 52 give a true and fair view of the financial position of the Company as at 31 December 2016, and of its results of operations and its cash flows for the year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due. The financial statements have been prepared on a going concern basis.

The Board of Directors has, on the date of this statement, authorised the accompanying financial statements for issue.

On behalf of the Board of Directors



*Tran Thanh Tan*  
*Chief Executive Officer*

Ho Chi Minh City, 28 March 2017



KPMG Limited Branch  
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115 Nguyen Hue Street, Ben Nghe Ward  
District 1, Ho Chi Minh City, Vietnam  
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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Shareholders Vietnam Investment Fund Management Joint Stock Company**

We have audited the accompanying financial statements of Vietnam Investment Fund Management Joint Stock Company ("the Company"), which comprise the balance sheet as at 31 December 2016, the statements of income, changes in equity and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Directors on 28 March 2017, as set out on pages 5 to 52.

### **Management's Responsibility**

The Company's Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

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

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



## Auditor's Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of Vietnam Investment Fund Management Joint Stock Company as at 31 December 2016, and of its results of operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to financial reporting.

**KPMG Limited's Branch in Ho Chi Minh City**  
Vietnam  
Audit Report No.: 16-01-268/1



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**Truong Vinh Phuc**  
Practicing Auditor Registration  
Certificate No. 1901-2013-007-1  
*Deputy General Director*

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**Pham Huy Cuong**  
Practicing Auditor Registration  
Certificate No. 2675-2014-007-1

Ho Chi Minh City, 28 March 2017

**Vietnam Investment Fund Management Joint Stock Company**  
**Balance sheet as at 31 December 2016**

**Form B01 – CTQ**

*(Issued under Circular No. 125/2011/TT-BTC  
dated 5 September 2011 of the Ministry of Finance)*

	Code	Note	31/12/2016 VND	31/12/2015 VND
<b>ASSETS</b>				
<b>Current assets</b>				
<b>(100 = 110 + 120 + 130 + 150)</b>	<b>100</b>		<b>147,800,698,143</b>	<b>183,891,351,360</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>10,893,696,113</b>	<b>80,690,535,210</b>
Cash	111		1,893,696,113	4,990,535,210
Cash equivalents	112		9,000,000,000	75,700,000,000
<b>Short-term financial investments</b>	<b>120</b>		<b>122,414,574,403</b>	<b>98,000,000,000</b>
Held-for-trading securities	121	5(a)	99,574,071,750	49,354,598,870
Allowance for diminution in the value of held-for-trading securities	122	5(a)	(2,159,497,347)	(1,354,598,870)
Held-to-maturity investments	123	5(b)	25,000,000,000	50,000,000,000
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>12,999,225,824</b>	<b>4,574,264,056</b>
Prepayments to suppliers	132		276,299,800	673,580,000
Receivables from management activities	134	6	10,231,637,080	2,668,804,427
Other short-term receivables	135	7	2,491,288,944	1,231,879,629
<b>Other current assets</b>	<b>150</b>		<b>1,493,201,803</b>	<b>626,552,094</b>
Short-term prepaid expenses	151		1,493,201,803	626,552,094

*The accompanying notes are an integral part of these financial statements*

**Vietnam Investment Fund Management Joint Stock Company**  
**Balance sheet as at 31 December 2016 (continued)**

**Form B01 – CTQ**

*(Issued under Circular No. 125/2011/TT-BTC  
dated 5 September 2011 of the Ministry of Finance)*

	Code	Note	31/12/2016 VND	31/12/2015 VND
<b>Long-term assets</b> <b>(200 = 210 + 220 + 240 + 250 + 260)</b>	<b>200</b>		<b>38,464,169,965</b>	<b>11,610,311,133</b>
<b>Accounts receivable – long-term</b>	<b>210</b>		<b>890,374,420</b>	<b>918,374,420</b>
Other long-term receivables	218		890,374,420	918,374,420
<b>Fixed assets</b>	<b>220</b>		<b>3,143,547,460</b>	<b>3,059,791,599</b>
Tangible fixed assets	221	8	1,960,212,549	2,404,731,261
Cost	222		10,253,343,336	13,040,144,056
Accumulated depreciation	223		(8,293,130,787)	(10,635,412,795)
Intangible fixed assets	227	9	1,183,334,911	655,060,338
Cost	228		3,951,837,811	3,051,745,811
Accumulated amortisation	229		(2,768,502,900)	(2,396,685,473)
<b>Long-term work in progress</b>	<b>240</b>		<b>5,625,169,000</b>	<b>5,273,400,000</b>
Construction in progress	242	10	5,625,169,000	5,273,400,000
<b>Long-term financial investments</b>	<b>250</b>		<b>25,000,000,000</b>	<b>-</b>
Held-to-maturity investments	255	5(b)	25,000,000,000	-
<b>Other long-term assets</b>	<b>260</b>		<b>3,805,079,085</b>	<b>2,358,745,114</b>
Long-term prepaid expenses	261	11	2,440,836,859	1,042,694,795
Deferred tax assets	262	12	1,364,242,226	1,316,050,319
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>186,264,868,108</b>	<b>195,501,662,493</b>

*The accompanying notes are an integral part of these financial statements*

**Vietnam Investment Fund Management Joint Stock Company**  
**Balance sheet as at 31 December 2016 (continued)**

**Form B01 – CTQ**

*(Issued under Circular No. 125/2011/TT-BTC  
dated 5 September 2011 of the Ministry of Finance)*

	Code	Note	31/12/2016 VND	31/12/2015 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310)</b>	<b>300</b>		<b>10,793,054,261</b>	<b>20,615,288,001</b>
<b>Current liabilities</b>	<b>310</b>		<b>10,793,054,261</b>	<b>20,615,288,001</b>
Accounts payable to suppliers	311	13	491,388,812	5,783,874,018
Taxes and others payable to State				
Treasury	314	14	1,675,349,415	4,837,570,402
Accrued expenses	316	15	6,919,288,070	8,676,651,362
Other payables	319		1,707,027,964	1,317,192,219
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>175,471,813,847</b>	<b>174,886,374,492</b>
<b>Owners' equity</b>	<b>410</b>		<b>175,471,813,847</b>	<b>174,886,374,492</b>
Share capital	411	16	229,512,030,000	229,512,030,000
Share premium	412		(60,690,000,000)	(60,690,000,000)
Treasury shares	414	16	(60,690,000,000)	(60,690,000,000)
Financial reserve	418		8,838,990,177	8,809,718,209
Supplement charter capital reserve	419		800,716,859	771,444,891
Retained profits	420		57,700,076,811	57,173,181,392
<b>TOTAL RESOURCES</b> <b>(440 = 300 + 400)</b>	<b>440</b>		<b>186,264,868,108</b>	<b>195,501,662,493</b>

*The accompanying notes are an integral part of these financial statements*



**Vietnam Investment Fund Management Joint Stock Company**  
**Balance sheet as at 31 December 2016 (continued)**

**Form B01 – CTQ**

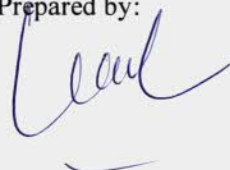
*(Issued under Circular No. 125/2011/TT-BTC  
dated 5 September 2011 of the Ministry of Finance)*

**OFF-BALANCE SHEET ITEMS**

	Code	Note	31/12/2016 VND	31/12/2015 VND
Foreign currencies	005	17	1,624,513	3,698,640,911
Cash in banks of entrustors	030	18	17,610,837,866	263,390,922
- <i>Foreign entrustors</i>	032		17,610,837,866	263,390,922
Investment portfolio of entrustors	040	19	115,780,520,444	97,389,807,816
- <i>Foreign entrustors</i>	042		115,780,520,444	97,389,807,816
Payables of entrustors	051	20	971,347,779	249,679,786

28 March 2017

Prepared by:



Mr. Nguyen Huu Tuan  
General Accountant

Approved by:



Mr. Phan Thanh Dung  
Chief Accountant



Mr. Tran Thanh Tan  
Chief Executive Officer

*The accompanying notes are an integral part of these financial statements*

**Vietnam Investment Fund Management Joint Stock Company**  
**Statement of income for the year ended 31 December 2016**

**Form B02 – CTQ**

*(Issued under Circular No. 125/2011/TT-BTC  
dated 5 September 2011 of the Ministry of Finance)*

	Code	Note	2016 VND	2015 VND
<b>Net revenue</b>	<b>10</b>	<b>21</b>	<b>34,023,684,228</b>	<b>28,254,883,885</b>
Financial income	21	22	12,593,908,775	34,063,231,621
Financial expenses	22	23	1,911,178,046	(2,343,065,724)
General and administration expenses	25	24	45,135,252,206	46,025,051,426
<b>Net operating (loss)/profit {30 = 10 + (21 - 22) - 25}</b>	<b>30</b>		<b>(428,837,249)</b>	<b>18,636,129,804</b>
Other income	31	25	1,221,304,546	-
<b>Result of other activities (40 = 31)</b>	<b>40</b>		<b>1,221,304,546</b>	<b>-</b>
<b>Accounting profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>792,467,297</b>	<b>18,636,129,804</b>
<b>Income tax expense – current</b>	<b>51</b>	<b>26</b>	<b>255,219,849</b>	<b>4,167,800,119</b>
<b>Income tax benefit – deferred</b>	<b>52</b>	<b>26</b>	<b>(48,191,907)</b>	<b>(12,986,418)</b>
<b>Net profit after tax (60 = 50 - 51 - 52)</b>	<b>60</b>		<b>585,439,355</b>	<b>14,481,316,103</b>
<b>Earnings per share</b>	<b>70</b>	<b>28</b>	<b>35</b>	<b>798</b>

28 March 2017

Prepared by:



Mr. Nguyen Huu Tuan  
General Accountant

Approved by:



Mr. Pham Thanh Dung  
Chief Accountant



Mr. Tran Thanh Tan  
Chief Executive Officer

*The accompanying notes are an integral part of these financial statements*

**Vietnam Investment Fund Management Joint Stock Company**  
**Statement of cash flows for the year ended 31 December 2016**  
**(Direct method)**

**Form B03 – CTQ**

*(Issued under Circular No. 125/2011/TT-BTC  
dated 5 September 2011 of the Ministry of Finance)*

	<b>Mã số</b>	<b>2016 VND</b>	<b>2015 VND</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from fund management activities and other activities	01	26,683,221,974	30,522,286,360
Cash payments for management activities and cash payments to suppliers	02	(18,833,868,794)	(13,653,911,142)
Cash payments to employees	03	(19,596,584,596)	(20,413,448,901)
Corporate income tax paid	05	(3,580,668,049)	-
Other receipts from operating activities	06	3,724,943,341	6,870,982,901
Other payments for operating activities	07	(13,023,701,091)	(13,720,712,466)
<b>Net cash flows from operating activities</b>	<b>20</b>	<b>(24,626,657,215)</b>	<b>(10,394,803,248)</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for additions to fixed assets and other long-term assets	21	(6,723,637,960)	(2,066,757,300)
Proceeds from disposals of fixed assets and other long-term assets	22	931,242,046	-
Payments for investments in shares	25	(152,391,500,096)	(85,682,658,459)
Proceeds from disposals of shares	26	105,830,529,207	171,507,799,266
Placement of term deposits and certificate of deposits	25	(50,000,000,000)	(76,774,529,406)
Withdrawal of term deposits and certificate of deposits	26	35,000,000,000	77,207,584,962
Proceeds from disposals of certificate of deposits	26	15,181,880,631	-
Receipts of dividends	27	271,620,000	1,300,000,000
Receipts of interest from term deposits and certificate of deposits	27	6,729,684,290	7,865,897,716
<b>Net cash flows from investing activities</b>	<b>30</b>	<b>(45,170,181,882)</b>	<b>93,357,336,779</b>

*The accompanying notes are an integral part of these financial statements*

**Vietnam Investment Fund Management Joint Stock Company**  
**Statement of cash flows for the year ended 31 December 2016**  
**(Direct method – continued)**

**Form B03 – CTQ**

*(Issued under Circular No. 125/2011/TT-BTC  
dated 5 September 2011 of the Ministry of Finance)*

	<b>Mã số</b>	<b>2016 VND</b>	<b>2015 VND</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payments for re-purchase of treasury shares	32	-	(14,740,000,000)
<b>Net cash flows from financing activities</b>	<b>40</b>	<b>-</b>	<b>(14,740,000,000)</b>
<b>Net cash flows during the year (50 = 20 + 30 + 40)</b>	<b>50</b>	<b>(69,796,839,097)</b>	<b>68,222,533,531</b>
<b>Cash and cash equivalents at the beginning of the year (Note 4)</b>	<b>60</b>	<b>80,690,535,210</b>	<b>12,291,454,515</b>
<b>Effect of exchange rate fluctuations on cash and cash equivalents</b>	<b>61</b>	<b>-</b>	<b>176,547,164</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61) (Note 4)</b>	<b>70</b>	<b>10,893,696,113</b>	<b>80,690,535,210</b>

28 March 2017

Prepared by:



Mr. Nguyen Huu Tuan  
General Accountant

Approved by:



Mr. Pham Thanh Dung  
Chief Accountant



Mr. Tran Thanh Tan  
Chief Executive Officer

*The accompanying notes are an integral part of these financial statements*

Vietnam Investment Fund Management Joint Stock Company  
Statement of changes in equity for the year ended 31 December 2016

Form B05 – CTQ  
(Issued under Circular No. 125/2011/TT-BTC  
dated 5 September 2011 of the Ministry of Finance)

	Share capital VND	Capital surplus VND	Treasury shares VND	Financial reserve VND	Supplement charter capital reserve VND	Retained profits VND	Total VND
<b>Balance at 1 January 2015</b>	229,512,030,000	(60,690,000,000)	(45,950,000,000)	8,038,273,318	-	44,234,755,071	175,145,058,389
Net profit for the year	-	-	-	-	-	14,481,316,103	14,481,316,103
Repurchase of treasury shares	-	-	(14,740,000,000)	-	-	-	(14,740,000,000)
Appropriation to financial reserve	-	-	-	771,444,891	-	(771,444,891)	-
Appropriation to supplement charter capital reserve	-	-	-	-	771,444,891	(771,444,891)	-
<b>Balance at 1 January 2016</b>	229,512,030,000	(60,690,000,000)	(60,690,000,000)	8,809,718,209	771,444,891	57,173,181,392	174,886,374,492
Net profit for the year	-	-	-	-	-	585,439,355	585,439,355
Appropriation to financial reserve	-	-	-	29,271,968	-	(29,271,968)	-
Appropriation to supplement charter capital reserve	-	-	-	-	29,271,968	(29,271,968)	-
<b>Balance at 31 December 2016</b>	229,512,030,000	(60,690,000,000)	(60,690,000,000)	8,838,990,177	800,716,859	57,700,076,811	175,471,813,847

28 March 2017

Prepared by:  


Mr. Nguyen Huu Tuan  
General Accountant

Approved by:  


Mr. Pham Thanh Dung  
Chief Accountant



Mr. Tran Thanh Tan  
Chief Executive Officer

The accompanying notes are an integral part of these financial statements

**Vietnam Investment Fund Management Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2016**

**Form B09 – CTQ**

*(Issued under Circular No. 125/2011/TT-BTC  
dated 5 September 2011 of the Ministry of Finance)*

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

**1. Reporting entity**

Vietnam Investment Fund Management Joint Stock Company (“the Company”) is a fund management company incorporated in Vietnam.

The principal activities of the Company are to provide funds management services and investment portfolio management services under Investment Licence No. 01/GPDT-UBCKNN issued by the Chairman of State Securities Committee of Vietnam (“SSC”) on 15 July 2003 and its amendments. The Investment Licence is valid for 50 years from 8 January 2009.

The total investment and legal capital amount of the Company as stipulated in the Investment Licence is VND229 billion.

As at 31 December 2016, the Company had 38 employees (31/12/2015: 40 employees) of which 17 were management personnel, 9 were newly recruited, 11 were resigned and none were disciplined (31/12/2015: 15 were management personnel, 5 were newly recruited, 8 were resigned and none were disciplined).

As at 31 December 2016, the Company had 11 employees (31/12/2015: 15 employees) who were qualified for funds and assets management.

**2. Basis of preparation**

**(a) Statement of compliance**

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to financial reporting.

**(b) Basis of measurement**

The financial statements, except for the statement of cash flows, are prepared on the accrual basis using the historical cost concept. The statement of cash flows is prepared using the direct method.

**(c) Annual accounting period**

The annual accounting period of the Company is from 1 January to 31 December.

**(d) Accounting and presentation currency**

The Company’s accounting currency is Vietnam Dong (“VND”), which is also the currency used for financial statement presentation purpose.

**Vietnam Investment Fund Management Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2016 (continued)**

**Form B09 – CTQ**

*(Issued under Circular No. 125/2011/TT-BTC  
dated 5 September 2011 of the Ministry of Finance)*

**(e) Accounting documentation system**

The registered accounting documentation system of the Company is the General Journal System.

**3. Summary of significant accounting policies**

The following significant accounting policies have been adopted by the Company in the preparation of these financial statements.

**(a) Foreign currency transactions**

Transactions in currencies other than VND during the year have been translated into VND at rate approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate at the end of the annual accounting period quoted by the commercial bank where the Company most frequently conducts transactions.

All foreign exchange differences are recorded in the statement of income.

**(b) Cash and cash equivalents**

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

**(c) Investments**

**(i) Held-for-trading securities**

Held-for-trading securities are those held by the Company for trading purpose i.e. purchased for resale with the aim of making profits over a short period of time. Held-for-trading securities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at cost less allowance for diminution in value. An allowance is made for diminution in value of held-for-trading securities if market price of the securities item falls below its carrying amount. The allowance is reversed if the market price subsequently increases after the allowance was recognised. An allowance is reversed only to the extent that the securities' carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

**Vietnam Investment Fund Management Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2016 (continued)**

**Form B09 – CTQ**

*(Issued under Circular No. 125/2011/TT-BTC  
dated 5 September 2011 of the Ministry of Finance)*

**(ii) Held-to-maturity investments**

Held-to-maturity investments are those that the Company's management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at banks. These investments are stated at costs less allowance for doubtful debts.

**(d) Accounts receivable**

Trade and other receivables are stated at cost less allowance for doubtful debts.

In accordance with Circular No. 228/2009/TT-BTC dated 7 December 2009 issued by Ministry of Finance, allowance for doubtful debts is made based on the expected losses on undue debts which may occur when an economic organisation is bankrupted or liquidated; or debtor is missing, running away, being prosecuted, in prison, under a trial or pending execution of sentences or deceased or based on the overdue status of debts using the following allowance rates:

<b>Overdue status</b>	<b>Allowance rate</b>
From six (06) months to less than one (01) year	30%
From one (01) year to less than two (02) years	50%
From two (02) years to less than three (03) years	70%
From three (03) years and over	100%

Increase/decrease in allowance for doubtful debts is recorded as expense/income in the statement of income during the year, except when allowance for doubtful debts is used to write off the debts which were made allowance for and unable to recover.

**(e) Tangible fixed assets**

**(i) Cost**

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.



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**(ii) Depreciation**

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

- office equipment 3 – 6 years
- motor vehicles 3 – 6 years

**(f) Intangible fixed assets**

***Software***

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 4 years.

**(g) Construction in progress**

Construction in progress represents the costs of software system establishment which have not been fully completed. No depreciation is provided for construction in progress during the period of software system establishment.

**(h) Long-term prepaid expenses**

**(i) Golf club memberships**

Golf club memberships are recognised at cost and amortised on a straight-line basis over 10 years.

**(ii) Leasehold improvements**

Leasehold improvements are recognised at cost and amortised on a straight-line basis over 3 years.

**(iii) Other long-term prepaid expenses**

Other long-term prepaid expenses include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under the Article 3 of Circular 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance which provides guidance on management, use and depreciation of fixed assets. They are amortised on a straight-line basis over a period ranging from 1 to 3 years.

**(i) Trade and other payables**

Trade and other payables are stated at their costs.

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**(j) Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

**(k) Taxation**

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using the tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(l) Share capital**

**(i) *Share capital and share premium***

Ordinary shares are stated at par value. Incremental costs directly attributable to the issue of ordinary shares, net of tax effects, are recognised as a deduction from share premium. The excess of proceeds contributed over the par value of shares issued is recorded as share premium.

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**(ii) Repurchase and reissue of ordinary shares (treasury shares)**

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognised as a reduction from equity. Repurchased shares are classified as treasury shares under equity. When treasury shares are sold for reissue subsequently, cost of the reissued shares is determined on a weighted average basis. Any difference between the amount received and the cost of the shares reissued is presented within share premium.

**(m) Financial reserves**

According to Circular No. 146/2014/TT-BTC dated 6 October 2014 issued by the Ministry of Finance providing guidance of financial system for securities companies and investment fund management companies, the Company is required to make the following allocations:

	<b>Annual allocation</b>	<b>Maximum balance</b>
Financial reserve	5% of profit after tax	10% of chartered capital
Supplement charter capital reserve	5% of profit after tax	10% of chartered capital

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The purpose of the financial reserve is to compensate for loss incurred in the course of business, net of amount of loss that is compensated for by insurance companies or individuals causing such loss.

Supplement charter capital reserve is allocated from annual profit after tax and is to supplement charter capital of the Company.

The Company is not allowed to use financial reserve and supplement charter capital reserve to pay dividends.

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**(n) Classification of financial instruments**

Solely for the purpose of providing disclosures about the significance of financial instruments to the Company's financial position and results of operations and the nature and extent of risk arising from financial instruments, the Company classifies its financial instruments as follows:

**(i) Financial assets**

*Financial assets at fair value through profit or loss*

A financial asset at fair value through profit or loss is a financial asset that meets either of the following conditions:

- It is considered by the Board of Directors as held for trading. A financial asset is considered as held for trading if:
  - it is acquired principally for the purpose of selling it in the near term;
  - there is evidence of a recent pattern of short-term profit-taking; or
  - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Company as at fair value through profit or loss.

*Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and a fixed maturity that the Company has the positive intention and ability to hold to maturity, other than:

- those that the Company upon initial recognition designates as at fair value through profit or loss;
- those that the Company designates as available-for-sale; and
- those that meet the definition of loans and receivables.

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those:

- that the Company intends to sell immediately or in the near term, which are classified as held for trading, and those that the entity on initial recognition designates as at fair value through profit or loss;
- that the Company upon initial recognition designates as available-for-sale; or
- for which the Company may not recover substantially all of its initial investment, other than because of credit deterioration, which are classified as available-for-sale.

**Vietnam Investment Fund Management Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2016 (continued)**

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*Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or that are not classified as:

- financial assets at fair value through profit or loss;
- held-to-maturity investments; or
- loans and receivables.

**(ii) Financial liabilities**

*Financial liabilities at fair value through profit or loss*

A financial liability at fair value through profit or loss is a financial liability that meets either of the following conditions:

- It is considered by the Board of Directors as held for trading. A financial liability is considered as held for trading if:
  - it is incurred principally for the purpose of repurchasing it in the near term;
  - there is evidence of a recent pattern of short-term profit-taking; or
  - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Company as at fair value through profit or loss.

*Financial liabilities carried at amortised cost*

Financial liabilities which are not classified as financial liabilities at fair value through profit or loss are classified as financial liabilities carried at amortised cost.

The above described classification of financial instruments is solely for presentation and disclosure purpose and is not intended to be a description of how the instruments are measured. Accounting policies for measurement of financial instruments are disclosed in other relevant notes.

**(o) Entrusted investment contracts**

The Company receives money from customers and uses the money to invest in securities on behalf of the customers in accordance with the terms of the entrusted investment contracts. Investments in securities on behalf of customers under entrusted investment contracts together with assets and liabilities in relation to such contracts are recorded in off-balance sheet in accordance with the guidance of Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance. No revaluation of securities held for trading of entrustors is required under this Circular.

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**Notes to the financial statements for the year ended 31 December 2016 (continued)**

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**(p) Revenue and other incomes**

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

**(i) Services rendered**

Management fees, incentives and commission are recognised in the statement of income when earned. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

**(ii) Interest income**

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

**(iii) Dividend income**

Dividend income is recognised when the right to receive dividend is established. Share dividends are not recognised as financial income.

**(q) Operating lease payments**

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of income as an integral part of the total lease expense.

**(r) Borrowing costs**

Borrowing costs are recognised as expenses in the period in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

**(s) Earnings per share**

The Company presents basic and diluted earnings per share (“EPS”) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares, which comprise convertible bonds and share options.

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**(t) Related parties**

Parties are considered to be related to the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

Related companies refer to the shareholders, their ultimate parent companies and their subsidiaries and associates. Related parties also include funds managed by the Company and members of the Company's Board of Management.

**(u) Nil balances**

Items or balances required by Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the Vietnamese Accounting System for enterprises that are not shown in the financial statements indicate nil balances.

**4. Cash and cash equivalents**

	<b>31/12/2016</b>	<b>31/12/2015</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	339,740,558	242,626,523
Cash in banks	1,553,955,555	4,747,908,687
Cash equivalents	9,000,000,000	75,700,000,000
	<hr/>	<hr/>
Cash and cash equivalents in the statement of cash flows	10,893,696,113	80,690,535,210
	<hr/>	<hr/>

Cash equivalents as at 31 December 2016 represented term deposits in banks denominated in VND with original terms to maturities of not more than three months. These term deposits earned annual interest rate at 5.3% (31/12/2015: 4.0% to 5.1%).

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Notes to the financial statements for the year ended 31 December 2016 (continued)

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5. Short-term financial investments	31/12/2016				31/12/2015			
	Quantity	Cost VND	Fair value VND	Allowance for diminution in value VND	Quantity	Cost VND	Fair value VND	Allowance for diminution in value VND
(a) Held-for-trading securities								
Listed fund certificates								
▪ E1VFN30	2,800,000.00	29,759,071,750	28,476,000,000	(1,283,071,750)	5,000,000	49,354,598,870	48,000,000,000	(1,354,598,870)
Unlisted fund certificates								
▪ VFMVF1	1,174,486.53	33,406,250,000	33,060,222,008	(346,027,992)	-	-	-	-
▪ VFMVF4	2,864,342.44	36,408,750,000	35,878,352,395	(530,397,605)	-	-	-	-
		99,574,071,750	97,414,574,403	(2,159,497,347)		49,354,598,870	48,000,000,000	(1,354,598,870)

The Company does not intend to exert a controlling or significant influence over the investee funds but acquired these fund certificates principally for the purpose of selling them in the near term. Therefore, the Company's investments are recorded as securities held for trading in accordance with accounting policy as set out in Note 3(c)(i), rather than being consolidated or equity accounted.



**Vietnam Investment Fund Management Joint Stock Company**  
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Movements in allowance for diminution in the value of held-for-trading investments during the year were as follows:

	<b>2016</b>	<b>2015</b>
	<b>VND</b>	<b>VND</b>
Opening balance	1,354,598,870	9,769,743,685
Additions during the year	2,159,497,347	-
Reversal of allowance during the year	(1,354,598,870)	(8,415,144,815)
Closing balance	<u>2,159,497,347</u>	<u>1,354,598,870</u>

**Vietnam Investment Fund Management Joint Stock Company**  
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**(b) Held-to-maturity investments**

**Held-to-maturity investments – short-term**

**Certificate of deposits**

HD SAISON Finance Co., Ltd

- Term deposit 1
- Term deposit 2
- Term deposit 3

VPBank Finance Company Limited

	Currency	Annual interest rate	Effective date	Maturity date	31/12/2016 VND	31/12/2015 VND
	VND	13.00%	01/04/2015	01/04/2016	-	25,000,000,000
	VND	11.00%	29/12/2015	29/12/2016	-	15,000,000,000
	VND	11.00%	09/05/2016	09/05/2017	25,000,000,000	-
	VND	11.00%	29/12/2015	29/12/2016	-	10,000,000,000
					25,000,000,000	50,000,000,000

**Held-to-maturity investments – long-term**

**Certificate of deposits**

HD SAISON Finance Co., Ltd

	VND	11.50%	11/07/2016	11/07/2018	25,000,000,000	-
					25,000,000,000	-

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**6. Receivables from management activities**

Receivables from management activities included:

	<b>31/12/2016</b>	<b>31/12/2015</b>
	<b>VND</b>	<b>VND</b>
Receivables from fund management activities – related parties (Note 27):	2,301,438,514	2,425,775,068
▪ VF1 - Vietnam Securities Investment Fund	1,387,246,829	1,311,233,424
▪ VF4 - Vietnam Blue-Chips Fund	601,599,286	672,769,350
▪ VFA - Vietnam Active Fund	-	(21,152,919)
▪ VFB - Vietnam Bond Fund	81,234,543	73,200,658
▪ ETF - VFMVN30 ETF Fund	231,357,856	389,724,555
Receivables from investment portfolio management activities:	913,187,586	243,029,359
▪ CAF - CA Asia Internet Fund I, L.P	103,860,667	130,031,501
▪ JMAP - JIEM Asia Pacific Pte. Ltd	144,513,716	94,843,671
▪ CAV - Cyberagent Ventures, Inc	113,955,537	5,343,017
▪ PixVC - Pix Vine Capital Pte. Ltd (formerly known as “GITP – GITP Pte. Ltd”)	35,454,957	12,811,170
▪ DCK - Dragon Capital Markets Limited	55,562,603	-
▪ UCITS - DC Developing Markets Strategies Public Limited Company	20,325,399	-
▪ VEIL - Vietnam Enterprise Investments Limited	439,514,707	-
Receivables from payments on behalf of entrustee investors	17,010,980	-
▪ JMAP - JIEM Asia Pacific Pte. Ltd	7,010,980	-
▪ DCK - Dragon Capital Markets Limited	5,000,000	-
▪ UCITS - DC Developing Markets Strategies Public Limited Company	5,000,000	-
Receivables from securities investment consulting activities from Dragon Capital Markets Limited – other related party	7,000,000,000	-
	<b>10,231,637,080</b>	<b>2,668,804,427</b>

Receivables from management activities due from related parties were unsecured, interest free and are receivable on demand.

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**7. Other short-term receivables**

	<b>31/12/2016</b>	<b>31/12/2015</b>
	<b>VND</b>	<b>VND</b>
Interest receivables from term deposits and certificate of deposits	1,797,094,444	959,802,780
Receivables from disposals of fixed assets	290,062,500	-
Receivables from funds under management (Note 27)	5,632,000	-
Receivables from employees	-	253,105,340
Other receivables	398,500,000	18,971,509
	<hr/>	<hr/>
	2,491,288,944	1,231,879,629
	<hr/>	<hr/>

**8. Tangible fixed assets**

<b>2016</b>	<b>Office equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>
<b>Cost</b>			
Opening balance	8,917,206,712	4,122,937,344	13,040,144,056
Additions	198,376,960	-	198,376,960
Disposals	-	(2,985,177,680)	(2,985,177,680)
	<hr/>	<hr/>	<hr/>
Closing balance	9,115,583,672	1,137,759,664	10,253,343,336
	<hr/>	<hr/>	<hr/>
<b>Accumulated depreciation</b>			
Opening balance	6,512,475,451	4,122,937,344	10,635,412,795
Charge for the year	642,895,672	-	642,895,672
Disposals	-	(2,985,177,680)	(2,985,177,680)
	<hr/>	<hr/>	<hr/>
Closing balance	7,155,371,123	1,137,759,664	8,293,130,787
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
Opening balance	2,404,731,261	-	2,404,731,261
Closing balance	1,960,212,549	-	1,960,212,549
	<hr/>	<hr/>	<hr/>

Included in tangible fixed assets were assets costing VND7,141,458,081 which were fully depreciated as of 31 December 2016 (31/12/2015: VND9,849,919,361) but which are still in active use.

**Vietnam Investment Fund Management Joint Stock Company**  
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**8. Tangible fixed assets (continued)**

<b>2015</b>	<b>Office equipment VND</b>	<b>Motor vehicles VND</b>	<b>Total VND</b>
<b>Cost</b>			
Opening balance	7,086,760,512	4,122,937,344	11,209,697,856
Additions	1,830,446,200	-	1,830,446,200
Closing balance	8,917,206,712	4,122,937,344	13,040,144,056
<b>Accumulated depreciation</b>			
Opening balance	5,941,150,311	4,107,467,941	10,048,618,252
Charge for the year	571,325,140	15,469,403	586,794,543
Closing balance	6,512,475,451	4,122,937,344	10,635,412,795
<b>Net book value</b>			
Opening balance	1,145,610,201	15,469,403	1,161,079,604
Closing balance	2,404,731,261	-	2,404,731,261

**Vietnam Investment Fund Management Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2016 (continued)**

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**9. Intangible fixed assets**

	<b>Software</b>	
	<b>2016</b>	<b>2015</b>
	<b>VND</b>	<b>VND</b>
<b>Cost</b>		
Opening balance	3,051,745,811	2,815,434,711
Additions	900,092,000	236,311,100
	3,951,837,811	3,051,745,811
<b>Accumulated amortisation</b>		
Opening balance	2,396,685,473	2,137,928,493
Charge for the year	371,817,427	258,756,980
	2,768,502,900	2,396,685,473
<b>Net book value</b>		
Opening balance	655,060,338	677,506,218
Closing balance	1,183,334,911	655,060,338

Included in intangible fixed assets were assets costing VND1,979,881,711 which were fully amortised as of 31 December 2016 (31/12/2015: VND1,884,632,921) but which are still in active use.

**Vietnam Investment Fund Management Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2016 (continued)**

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**10. Construction in progress**

	<b>2016 VND</b>	<b>2015 VND</b>
Opening balance	5,273,400,000	-
Additions during the year	351,769,000	5,273,400,000
Closing balance	5,625,169,000	5,273,400,000

Major constructions in progress were as follows:

	<b>31/12/2016 VND</b>	<b>31/12/2015 VND</b>
Fundcore investment software: Asset Management System (AMS) and Portfolio Asset Management (PAM)	5,273,400,000	5,273,400,000
Dynamics CRM	351,769,000	-
	5,625,169,000	5,273,400,000

**Vietnam Investment Fund Management Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2016 (continued)**

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**11. Long-term prepaid expenses**

2016	Golf club memberships VND	Leasehold improvements VND	Other long-term prepaid expenses VND	Total VND
Opening balance	231,090,350	936,071	810,668,374	1,042,694,795
Additions	-	-	2,283,873,021	2,283,873,021
Amortisation during the year	(67,636,200)	(936,071)	(817,158,686)	(885,730,957)
Closing balance	163,454,150	-	2,277,382,709	2,440,836,859
<b>2015</b>				
Opening balance	298,726,550	282,175,200	454,133,724	1,035,035,474
Additions	-	-	664,173,700	664,173,700
Amortisation during the year	(67,636,200)	(281,239,129)	(307,639,050)	(656,514,379)
Closing balance	231,090,350	936,071	810,668,374	1,042,694,795



**Vietnam Investment Fund Management Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2016 (continued)**

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**12. Deferred tax assets**

	<b>Tax rate</b>	<b>31/12/2016 VND</b>	<b>31/12/2015 VND</b>
<i>Recognised deferred tax assets:</i>			
Accruals	20%	1,364,242,226	1,316,050,319

**13. Accounts payable to suppliers**

*Accounts payable to suppliers detailed by significant suppliers*

	<b>31/12/2016</b>		<b>31/12/2015</b>	
	<b>Cost VND</b>	<b>Amount within payment capacity VND</b>	<b>Cost VND</b>	<b>Amount within payment capacity VND</b>
Nguyen Dan Gamma Joint Stock Company Branch	100,010,000	100,010,000	-	-
State Street GX Limited - Singapore Branch	53,382,879	53,382,879	-	-
Other suppliers	-	-	5,273,400,000	5,273,400,000
	337,995,933	337,995,933	510,474,018	510,474,018
	491,388,812	491,388,812	5,783,874,018	5,783,874,018

**14. Taxes payable to State Treasury**

	<b>31/12/2015 VND</b>	<b>Incurred VND</b>	<b>Paid VND</b>	<b>31/12/2016 VND</b>
Value added tax	-	122,130,454	(121,454,545)	675,909
Corporate income tax	4,502,669,191	255,219,849	(3,580,668,049)	1,177,220,991
Personal income tax	334,901,211	4,051,116,147	(3,888,564,843)	497,452,515
Foreign contractor tax	-	731,099,845	(731,099,845)	-
Other taxes	-	1,111,716,554	(1,111,716,554)	-
	4,837,570,402	6,271,282,849	(9,433,503,836)	1,675,349,415

**Vietnam Investment Fund Management Joint Stock Company**  
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**15. Accrued expenses**

	<b>31/12/2016</b>	<b>31/12/2015</b>
	<b>VND</b>	<b>VND</b>
Performance bonus	3,988,353,384	6,580,251,595
Incentive salary	2,832,857,746	-
13 <sup>th</sup> month salary	-	1,616,198,019
Technical support fee	25,503,466	419,561,752
Others	72,573,474	60,639,996
	<hr/>	<hr/>
	6,919,288,070	8,676,651,362
	<hr/>	<hr/>

**16. Share capital**

The Company's authorised and issued share capital were as follows:

	<b>31/12/2016 và 31/12/2015</b>	
	<b>Number of shares</b>	<b>VND</b>
<b>Authorised share capital</b>	22,951,203	229,512,030,000
<b>Issued share capital – Ordinary shares</b>	22,951,203	229,512,030,000
<b>Treasury shares – Ordinary shares</b>	(6,069,000)	(60,690,000,000)
	<hr/>	<hr/>
<b>Shares currently in circulation – Ordinary shares</b>		
▪ Dragon Capital Management Limited	8,466,952	84,669,520,000
▪ Dragon Capital (Markets) Europe Limited	2,779,136	27,791,360,000
▪ Saigon Thuong Tin Commercial Joint Stock Bank	2,404,548	24,045,480,000
2,180,364    21,803,640,000		
▪ Employees	1,051,203	10,512,030,000
	<hr/>	<hr/>
	16,882,203	168,822,030,000
	<hr/>	<hr/>

Dragon Capital Management Limited and Dragon Capital (Markets) Europe Limited are incorporated in British Virgin Islands and the United Kingdom, respectively. Dragon Capital Group Limited, the ultimate parent company, is incorporated in British Virgin Islands. Saigon Thuong Tin Commercial Joint Stock Bank and Ho Chi Minh Securities Corporation are incorporated in Vietnam.

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company (treasury shares), all rights are suspended until those shares are reissued.

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**17. Off balance sheet items**

**(a) Lease commitments**

The future minimum lease payments under non-cancellable operating leases were:

	<b>31/12/2016</b>	<b>31/12/2015</b>
	<b>VND</b>	<b>VND</b>
Within one year	4,102,834,261	4,171,945,188
Within two to five years	2,321,034,545	4,519,550,625
	<hr/>	<hr/>
	6,423,868,806	8,691,495,813
	<hr/>	<hr/>

**(b) Foreign currencies**

	<b>31/12/2016</b>		<b>31/12/2015</b>	
	<b>Original currency</b>	<b>VND equivalent</b>	<b>Original currency</b>	<b>VND equivalent</b>
USD	71	1,624,513	164,824	3,698,640,911
	<hr/>			

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**18. Cash in banks of entrustors**

Cash in banks of entrustors included cash in banks of the following entrustors:

<b>Foreign entrustors</b>	<b>31/12/2016 VND</b>	<b>31/12/2015 VND</b>
CAF - CA Asia Internet Fund I, L.P	1,845,679,068	106,211,740
PixVC – Pix Vine Capital Pte. Ltd (formerly known as “GITP – GITP Pte. Ltd”)	31,431,277	36,148,281
CAV - Cyberagent Ventures, Inc	15,710,048,808	116,149,607
JMAP - JIEM Asia Pacific Pte. Ltd	2,438,722	4,881,294
DCK - Dragon Capital Markets Limited	920,692	-
UCITS - DC Developing Markets Strategies Public Limited Company	2,173,234	-
VEIL - Vietnam Enterprise Investments Limited	18,146,065	-
	17,610,837,866	263,390,922

Details of movements in cash in banks of entrustors during the year were as follows:

<b>CAF</b>	<b>2016 VND</b>	<b>2015 VND</b>
Opening balance	106,211,740	16,789,690
Increase during the year	89,701,588,539	31,181,784,484
<i>Cash receipts from entrustor</i>	4,458,999,500	9,602,971,064
<i>Interest income received</i>	50,529,118	70,379,900
<i>Cash receipts from disposals of securities</i>	85,192,059,921	21,508,433,520
Decrease during the year	(87,962,121,211)	(31,092,362,434)
<i>Payment for purchases of securities</i>	(4,458,999,500)	(9,602,971,064)
<i>Withdrawal of investment capital from entrustor</i>	(16,553,227,749)	(13,832,405,669)
<i>Profit transferred to entrustor</i>	(65,946,772,251)	(6,667,594,331)
<i>Custody fees</i>	(57,414,164)	(74,432,016)
<i>Bank charge</i>	(724,851)	(295,087)
<i>Management fees</i>	(513,715,081)	(882,615,861)
<i>Early withdrawal fee before maturity date</i>	(331,064,555)	-
<i>Tax payment on behalf from disposals of securities</i>	(85,203,060)	(32,048,406)
<i>Other payment</i>	(15,000,000)	-
	1,845,679,068	106,211,740

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<b>PixVC (formerly known as “GITP”)</b>	<b>2016 VND</b>	<b>2015 VND</b>
Opening balance	36,148,281	971,933
Increase during the year	248,740	14,844,099,482
<i>Cash receipts from entrustor</i>	-	3,202,000,000
<i>Interest income received</i>	248,740	17,893,424
<i>Cash receipts from disposals of securities</i>	-	11,624,206,058
Decrease during the year	(4,965,744)	(14,808,923,134)
<i>Payment for purchases of securities</i>	-	(3,201,000,000)
<i>Withdrawal of investment capital from entrustor</i>	-	(2,628,243,262)
<i>Profit transferred to entrustor</i>	-	(8,861,305,134)
<i>Custody fees</i>	(4,833,744)	(11,514,030)
<i>Bank charge</i>	(132,000)	(165,000)
<i>Management fees</i>	-	(95,071,280)
<i>Tax payment on behalf from disposals of securities</i>	-	(11,624,428)
Closing balance	31,431,277	36,148,281
<b>CAV</b>	<b>2016 VND</b>	<b>2015 VND</b>
Opening balance	116,149,607	2,706,912,095
Increase during the year	16,592,656,009	9,470,776,339
<i>Cash receipts from entrustor</i>	-	-
<i>Interest income received</i>	111,861,591	20,776,339
<i>Dividends received</i>	11,620,794,418	9,450,000,000
<i>Share surplus declared from investee</i>	4,860,000,000	-
Decrease during the year	(998,756,808)	(12,061,538,827)
<i>Income tax from share surplus declared</i>	(972,000,000)	-
<i>Profit transferred to entrustor</i>	-	(12,000,000,000)
<i>Custody fees</i>	(26,410,968)	(12,659,383)
<i>Bank charge</i>	(345,840)	(484,000)
<i>Management fees</i>	-	(46,895,444)
<i>Other payment</i>	-	(1,500,000)
Closing balance	15,710,048,808	116,149,607

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<b>JMAP</b>	<b>2016 VND</b>	<b>2015 VND</b>
Opening balance	4,881,294	6,352,469,250
Increase during the year	20,512	991,476
<i>Cash receipts from entrustor</i>	-	-
<i>Interest income received</i>	20,512	991,476
Decrease during the year	(2,463,084)	(6,348,579,432)
<i>Payment for purchases of securities</i>	-	(6,323,983,620)
<i>Custody fees</i>	(2,331,084)	(17,028,828)
<i>Bank charge</i>	(132,000)	(1,243,000)
<i>Tax payment on behalf from disposals of securities</i>	-	(6,323,984)
Closing balance	2,438,722	4,881,294
<b>DCK</b>	<b>2016 VND</b>	<b>2015 VND</b>
Opening balance	-	-
Increase during the year	35,311,630,634	-
<i>Cash receipts from entrustor</i>	35,305,100,000	-
<i>Interest income received</i>	1,177,583	-
<i>Other receipts</i>	5,353,051	-
Decrease during the year	(35,310,709,942)	-
<i>Payment for purchases of securities</i>	(35,305,100,000)	-
<i>Custody fees</i>	(626,381)	-
<i>Bank charge</i>	(1,100,000)	-
<i>Other payment</i>	(3,883,561)	-
Closing balance	920,692	-
<b>UCITS (*)</b>	<b>2016 VND</b>	<b>2015 VND</b>
Opening balance	-	-
Increase during the year	21,255,178,234	-
<i>Cash receipts from entrustor</i>	21,250,000,000	-
<i>Interest income received</i>	178,234	-
<i>Other receipts</i>	5,000,000	-
Decrease during the year	(21,253,005,000)	-
<i>Payment for purchases of securities</i>	(21,250,000,000)	-
<i>Bank charge</i>	(880,000)	-
<i>Other payment</i>	(2,125,000)	-
Closing balance	2,173,234	-

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<b>VEIL (*)</b>	<b>2016 VND</b>	<b>2015 VND</b>
Opening balance	-	-
Increase during the year	395,524,246,065	-
<i>Cash receipts from entrustor</i>	395,500,000,000	-
<i>Interest income received</i>	3,303,565	-
<i>Other receipts</i>	20,942,500	-
Decrease during the year	(395,506,100,000)	-
<i>Payment for purchases of securities</i>	(395,500,000,000)	-
<i>Bank charge</i>	(1,100,000)	-
<i>Other payment</i>	(5,000,000)	-
Closing balance	18,146,065	-

- (\*) On 7 December 2016, UCITS and VEIL signed the Official Letter with the Company to withdraw the investment portfolio to transfer the assets and terminate the investment portfolio management contract. Accordingly, as at 31 December 2016, the Company had transferred the investment portfolio to these 2 entrustors, the related cash balances were still held by the Company to do their obligations. As at the reporting date, the Company had completed the transfer of assets and termination of the investment portfolio management contract.

**19. Investment portfolio of entrustors**

	<b>31/12/2016 VND</b>	<b>31/12/2015 VND</b>
<b>Foreign entrustors</b>		
Unlisted securities	115,780,520,444	97,389,807,816

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Details of investment portfolio held on behalf of entrustors were as follows:

	Code	31/12/2016		31/12/2015	
		Quantity	Cost VND	Quantity	Cost VND
<b>Unlisted securities</b>					
▪ Sakkara Asia Pacific Project Holdings and Investment Real Estate	SAKKARA	1,123,650	35,305,100,000	-	-
▪ E.D.H Trading Develoment and Investment Corporation	E.D.H	9,790	16,863,956,320	9,790	16,863,956,320
▪ Vexere Joint Stock Company	Vexere	4,074	15,099,999,932	3,334	10,641,000,432
▪ NCT Corporation	NCT	9,602	12,609,600,000	9,602	12,609,600,000
▪ Vietnam Compare Joint Stock Company	VNC	116,559	10,592,852,464	116,559	10,592,852,464
▪ DKT Technology Joint Stock Company	DKT	48,294	10,528,092,000	48,294	10,528,092,000
▪ Tiki Corporation	Tiki	780,047	7,461,760,956	801,770	7,669,558,478
▪ Foody Corporation	Foody	87,094	7,319,158,772	87,094	7,319,158,772
▪ Dai Viet Investment and Technology Joint Stock Company	DVT	-	-	182,556	16,891,465,600
▪ Small Soft Joint Stock Company	Small Soft	-	-	54,000	3,024,000,000
▪ Bao Kim Electronic Commerce Joint Stock Company	BK	-	-	125,000	1,250,123,750
		2,179,110	115,780,520,444	1,437,999	97,389,807,816

The face values of unlisted securities were as follows:

	31/12/2016 VND	31/12/2015 VND
Unlisted securities	21,791,100,000	14,379,990,000



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**20. Payables of entrustors**

	<b>31/12/2016</b>	<b>31/12/2015</b>
	<b>VND</b>	<b>VND</b>
Management fees	913,187,586	243,029,359
Custodian fees	34,024,213	6,650,427
Payable for payment on behalf made by the Company	17,010,980	-
Others	7,125,000	-
	<hr/>	<hr/>
	971,347,779	249,679,786
	<hr/>	<hr/>

**21. Net revenue**

Net revenue represents the gross invoiced value of services rendered exclusive of value added tax.

Net revenue comprised:

	<b>2016</b>	<b>2015</b>
	<b>VND</b>	<b>VND</b>
Management fees		
▪ Fund management activities	23,496,659,420	24,786,750,348
▪ Entrusted investment portfolio management	1,183,873,308	1,170,515,786
Revenue from redemption of fund certificates	1,099,678,980	2,143,928,866
Revenue from subscription of fund certificates	912,407,965	153,688,885
Revenue from withdrawal before due date	331,064,555	-
Revenue from securities investment consulting	7,000,000,000	-
	<hr/>	<hr/>
	34,023,684,228	28,254,883,885
	<hr/>	<hr/>

The Company currently manages VF1, VF2, VF4, VFA, VFB and ETF which are investment funds incorporated in Vietnam. VF2 is in the liquidation process and VFA is in the termination process.

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Details of these funds were as follows:

<b>Short name</b>	<b>Principal activity</b>	<b>Business Registration Certificate</b>	<b>NAV as at 31/12/2016 VND</b>
VF1	Investment fund	No. 05/GCN-UBCK dated 8 October 2013	773,632,933,617
VF2	Investment fund	No. 08/UBCK-TLQTV dated 13 December 2006	35,693,852,887
VF4	Investment fund	No. 06/GCN-UBCK dated 16 December 2013	349,080,267,291
VFA	Investment fund	No. 03/UBCK-GCN dated 18 April 2013	4,277,866,269
VFB	Investment fund	No. 04/GCN-UBCK dated 10 June 2013	102,184,671,330
ETF	Exchange-traded fund	No. 14/GCN-UBCK dated 18 September 2014	429,447,860,593

The Company is entitled to receive management fees from VF1, VF4, VFA, VFB and ETF as follows:

<b>Fund</b>	<b>Management fees</b>
VF1	1.95% of net asset value per year
VF4	1.93% of net asset value per year
VFA	1.78% of net asset value per year
VFB	0.90% of net asset value per year
ETF	0.65% of net asset value per year

In accordance with the charter of VF2, the Company is entitled to receive a monthly management fee in arrears equal to one twelve of one percent (1%) of charter capital of VF2. The Company also agreed not to receive any monthly management fee from VF2 starting from 13 December 2011 if VF2's net asset value is less than VND10,000. However if VF2's net asset value is subsequently greater than VND10,000, VF2 is obliged to refund all the management fee in relation to that period to the Company. For the year ended 31 December 2016, no management fee from VF2 was accrued for due to the fund is in liquidation process (2015: Nil).

The Company also entered into entrusted investment contracts under which the Company is entitled to receive management fees and performance fees. The performance fee is received only if certain conditions as stated in the entrusted investment contracts are met. There were no performance fees receivable from entrustors for the year ended 31 December 2016 as the conditions have not been met (2015: Nil).

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The Company and the distribution agents are also entitled to receive fees from subscription and redemption of fund certificates as below:

<b>Fund</b>	<b>Total subscription fee</b>	<b>Total redemption fee</b>
VF1	0.20% - 1.00% of subscription amount	0.00% - 1.50% of fund certificates value
VF4	0.20% - 1.00% of subscription amount	0.00% - 1.50% of fund certificates value
VFA	0.20% - 1.00% of subscription amount	0.00% - 1.50% of fund certificates value
VFB	0.30% - 0.60% of par value/subscription amount	0.00% - 1.00% of fund certificates value
ETF	0.00% of subscription amount	0.00% - 0.15% of fund certificates value

These fees will be paid to the Company and the Company will share these fees with distribution agents. According to the contracts signed between the Company and the distribution agents, if the fund certificates were issued or redeemed via the distribution agents, the distribution agents are entitled to receive subscription fee of 0.16% - 0.80% of subscription amount and redemption fee of 0.00% - 0.05% of fund certificate value. Besides, the distribution agents are entitled to receive monthly trailer fee from the Company of 0.00% - 0.025% of average fund certificate value at the distribution agents per month and quarterly and annual additional incentive fees of 0.00% - 40.00% of total subscription fee and trailer fee that the distribution agents received during the year.

## **22. Financial income**

	<b>2016 VND</b>	<b>2015 VND</b>
Gains from disposals of unlisted shares	1,652,992,207	19,924,222,426
Gains from disposals of listed shares	2,889,889,983	3,905,039,745
Gains from disposals of certificate of deposits	181,880,631	-
Interest income from deposits in banks and certificate of deposits	7,566,975,954	8,757,422,286
Dividend income	271,620,000	1,300,000,000
Realised foreign exchange gains	30,550,000	-
Unrealised foreign exchange gains	-	176,547,164
	<b>12,593,908,775</b>	<b>34,063,231,621</b>

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**23. Financial expenses**

	<b>2016</b> <b>VND</b>	<b>2015</b> <b>VND</b>
Expenses/(reversal) of allowance for diminution in the value of short-term investments	804,898,477	(8,415,144,815)
Losses from disposals of unlisted shares	-	5,784,121,364
Losses from disposals of listed shares	884,380,199	-
Brokerage charge	115,968,810	210,485,421
Bank charge	84,536,286	77,472,306
Realised foreign exchange losses	21,394,274	-
	<hr/> 1,911,178,046	<hr/> (2,343,065,724) <hr/>

**24. General and administration expenses**

	<b>2016</b> <b>VND</b>	<b>2015</b> <b>VND</b>
Staff costs	25,927,523,316	30,470,216,632
Office expenses	8,352,066,315	7,950,617,744
Information expenses	2,619,837,170	-
Professional expenses	631,214,988	1,305,772,510
Expenses for business trips and transportation	1,857,430,178	1,278,572,533
Entertainment expenses	1,307,342,679	1,013,507,100
Depreciation and amortisation	1,014,713,099	845,551,523
Gift expenses	565,569,029	814,489,640
Advertising expenses	980,523,258	791,780,843
Training and seminar expenses	241,863,934	282,239,128
Others	1,637,168,240	1,272,303,773
	<hr/> 45,135,252,206	<hr/> 46,025,051,426 <hr/>

**25. Other income**

	<b>2016</b> <b>VND</b>	<b>2015</b> <b>VND</b>
Gains from disposals of fixed assets	1,221,304,546	-
	<hr/> 1,221,304,546	<hr/> -

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**26. Corporate income tax**

**(a) Recognised in the statement of income**

	<b>2016</b>	<b>2015</b>
	<b>VND</b>	<b>VND</b>
<b>Current tax expense</b>		
Current year	255,219,849	4,167,800,119
<b>Deferred income tax (benefit)/expenses</b>		
Origination and reversal of temporary differences	(48,191,907)	(144,591,450)
Effect of change in tax rate	-	131,605,032
	<hr/>	<hr/>
	(48,191,907)	(12,986,418)
	<hr/>	<hr/>
Income tax expense	207,027,942	4,154,813,701
	<hr/>	<hr/>

**(b) Reconciliation of effective tax rate**

	<b>2016</b>	<b>2015</b>
	<b>VND</b>	<b>VND</b>
Profit before tax	792,467,297	18,636,129,804
	<hr/>	<hr/>
Tax at the Company's tax rate	158,493,459	4,099,948,557
Non-deductible expenses	168,293,483	240,174,914
Effect of change in tax rate	-	131,605,032
Tax exempt income	(54,324,000)	(286,000,000)
Deferred tax asset not recognised	(65,435,000)	(30,914,802)
	<hr/>	<hr/>
	207,027,942	4,154,813,701
	<hr/>	<hr/>

**(c) Applicable tax rates**

Under the prevailing Corporate Income Tax Law, the Company has an obligation to pay the corporate income tax at the rate of 20% of taxable profits (2015: 22%).

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**27. Significant transactions with related parties**

During the year there were the following significant transactions with its related parties:

	Nature of transaction	Transaction value		Balance outstanding as at	
		2016 VND	2015 VND	31/12/2016 VND	31/12/2015 VND
<b>Funds under management</b>					
▪ VF1	Management fee	13,857,808,944	14,855,402,353	1,276,382,953	1,079,384,808
	Subscription fee	478,157,890	100,763,000	30,213,000	1,100,000
	Redemption fee	707,829,245	1,613,566,410	80,650,876	230,748,616
	Payment on behalf	3,074,500	-	3,074,500	-
▪ VF4	Management fee	6,187,379,128	6,207,409,195	559,780,127	437,414,019
	Subscription fee	423,663,075	17,525,000	31,685,000	2,925,000
	Redemption fee	355,329,090	527,901,324	10,134,159	232,430,331
	Payment on behalf	2,557,500	-	2,557,500	-
▪ VFA	Management fee	95,539,113	1,281,103,244	(205,359,419)	(21,152,919)
	Subscription fee	2,925,000	-	-	-
	Redemption fee	6,212,456	-	-	-
▪ VFB	Management fee	890,130,435	839,123,504	77,698,280	72,810,658
	Subscription fee	7,662,000	35,400,885	3,516,000	390,000
	Redemption fee	30,308,189	2,461,132	20,263	-
▪ ETF	Management fee	2,465,801,800	1,603,712,052	231,357,856	389,724,555
<b>Công ty liên quan khác</b>					
▪ Dragon Capital Markets Limited	Consulting fee	7,000,000,000	-	7,000,000,000	-
	Management fee	60,562,603	-	60,562,603	-

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**28. Earnings per share**

**(a) Basic earnings per share**

The calculation of basic earnings per share for the year ended 31 December 2016 was based on the profit attributable to ordinary shareholders of VND585,439,355 (2015: VND14,481,316,103) and the weighted average number of ordinary shares outstanding of 16,882,203 shares (2015: 18,150,247 shares), calculated as follows:

**(i) Net profit attributable to ordinary shareholders**

	<b>2016</b>	<b>2015</b>
	<b>VND</b>	<b>VND</b>
Net profit attributable to ordinary shareholders	585,439,355	14,481,316,103

**(ii) Weighted average number of ordinary shares**

	<b>2016</b>	<b>2015</b>
Issued ordinary shares at the beginning of the year	16,882,203	18,356,203
Effect of treasury shares re-purchased	-	(205,956)
Weighted average number of ordinary shares for the year ended 31 December	16,882,203	18,150,247

**(b) Diluted earnings per share**

At the reporting date, the Company does not have diluted earnings per share, therefore the disclosure of diluted earnings per share is not applicable.

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**29. Financial risk management**

The Company has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

**(a) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from deposits in banks, held-to-maturity investments and trade and other receivables.

**(i) Exposure to credit risk**

The total of carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the balance sheet date was as follows:

	<b>Note</b>	<b>31/12/2016</b> <b>VND</b>	<b>31/12/2015</b> <b>VND</b>
Cash in banks and cash equivalents	(ii)	10,553,955,555	80,447,908,687
Held-to-maturity investments – short-term	(ii)	25,000,000,000	50,000,000,000
Held-to-maturity investments – long-term	(ii)	25,000,000,000	-
Receivables from management activities	(iii)	10,231,637,080	2,668,804,427
Other receivables	(iii)	2,092,788,944	1,226,879,629
		72,878,381,579	134,343,592,743

**(ii) Cash in banks, cash equivalents and held-to-maturity investments**

Cash in banks, cash equivalents and held-to-maturity investments of the Company are mainly held with well-known financial institutions. The Board of Directors does not foresee any significant credit risks from these deposits and does not expect that these financial institutions may default and cause losses to the Company.

**(iii) Receivables from management activities and other receivables**

Receivables from management activities and other receivables mainly include receivables from securities investment consulting activities, interest receivables from deposits and deposit certificate. Credit risk in relation to management fees and consulting fees receivable is considered minimal as these are receivables from funds under management of the Company. The Board of Directors believes that those receivables are of high credit quality.



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The maximum exposure to credit risk faced by the Company is equal to the carrying amounts of cash in banks and cash equivalents, short-term financial investments, receivables from management activities and other receivables.

No receivables as of 31 December 2016 and 2015 were past due nor impaired.

**(b) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The financial liabilities with fixed or determinable payments have the following contractual maturities including the estimated interest payments:

**As at 31 December 2016**

	<b>Carrying amount VND</b>	<b>Contractual cash flows VND</b>	<b>Within 1 year VND</b>	<b>1 – 5 years VND</b>	<b>More than 5 years VND</b>
Accounts payable to suppliers	491,388,812	491,388,812	491,388,812	-	-
Accrued expenses	6,919,288,070	6,919,288,070	6,919,288,070	-	-
Other payables	1,707,027,964	1,707,027,964	1,707,027,964	-	-
	<b>9,117,704,846</b>	<b>9,117,704,846</b>	<b>9,117,704,846</b>	<b>-</b>	<b>-</b>

**As at 31 December 2015**

	<b>Carrying amount VND</b>	<b>Contractual cash flows VND</b>	<b>Within 1 year VND</b>	<b>1 – 5 years VND</b>	<b>More than 5 years VND</b>
Accounts payable to suppliers	5,783,874,018	5,783,874,018	5,783,874,018	-	-
Accrued expenses	8,676,651,362	8,676,651,362	8,676,651,362	-	-
Other payables	1,317,192,219	1,317,192,219	1,317,192,219	-	-
	<b>15,777,717,599</b>	<b>15,777,717,599</b>	<b>15,777,717,599</b>	<b>-</b>	<b>-</b>

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**(c) Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's results of operations or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate as a result of changes in market interest rates.

At the balance sheet date, the interest rate profile of the Company's interest-bearing financial instruments was:

	<b>Carrying amount</b>	
	<b>31/12/2016</b>	<b>31/12/2015</b>
	<b>VND</b>	<b>VND</b>
<b>Fixed rate instruments</b>		
Cash equivalents	9,000,000,000	75,700,000,000
Held-to-maturity investments – short-term	25,000,000,000	50,000,000,000
Held-to-maturity investments – long-term	25,000,000,000	-
<hr/>		
<b>Variable rate instruments</b>		
Cash in banks	1,553,955,555	4,747,908,687
<hr/>		

A change of 100 basis points in interest rates would have no material impact on the net profit after tax of the Company. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

**(ii) Currency risk**

The Company is exposed to currency risk on sales of services in a currency other than the respective accounting currencies of Company. The currencies in which these transactions primarily are denominated are USD.

The Company's exposure to currency risk is managed by keeping the exposure to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term over-exposures.

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*Exposure to currency risk*

The Company had the following net monetary asset positions exposed to currency risk:

	<b>31/12/2016</b>	<b>31/12/2015</b>
	<b>USD</b>	<b>USD</b>
Cash in banks	71	164,824

The followings are the significant exchange rates applied by the Company:

	<b>Exchange rate as at</b>	
	<b>31/12/2016</b>	<b>31/12/2015</b>
USD/VND	22,730	22,440

After taking into account the current level of exchange rates and the historical volatility as well as market expectations at the reporting date, the possible impact on the net profit after tax of the Company is considered insignificant. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases.

**(iii) Market risk**

Market risk is the risk that the value of the financial instruments will decrease as a result of changes in equity indices and the values of individual securities.

The Company invests in the fund certificates listed in the HOSE and unlisted fund certificates in the UPCOM. Their values are affected by market price risk arising from the uncertainty in the fluctuation of the future market value of these securities. Market price risk is managed by the Company by diversifying the investment portfolio and careful selection of securities within specified limits,

As at 31 December 2016, the carrying value of the securities held by the Company was VND99,574,071,750 (31/12/2015: VND49,354,598,870 VND). If the market price of these securities decrease by 1% as at 31 December 2016 (31/12/2015: 1%) with all other variable remaining constant, profit after tax of the Company would decrease by VND796,592,574 (31/12/2015: VND384,965,871).

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

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, were as follows:

	31/12/2016		31/12/2015	
	Carrying amount VND	Fair value VND	Carrying amount VND	Fair value VND
<b>Financial assets</b>				
<i>Categorised as held-to-maturity investments:</i>				
▪ Held-to-maturity investments	50,000,000,000	50,000,000,000	50,000,000,000	50,000,000,000
<i>Categorised as financial assets at fair value through profit or loss</i>				
▪ Held-for-trading securities	97,414,574,403	97,414,574,403	48,000,000,000	48,000,000,000
<i>Categorised as loans and receivables:</i>				
▪ Cash in banks and cash equivalents	10,553,955,555	10,553,955,555	80,447,908,687	80,447,908,687
▪ Receivables from management activities	10,231,637,080	10,231,637,080	2,668,804,427	2,668,804,427
▪ Other receivables	2,092,788,944	2,092,788,944	1,226,879,629	1,226,879,629
<b>Financial liabilities</b>				
<i>Categorised as liabilities carried at amortised cost:</i>				
▪ Accounts payable to suppliers	(491,388,812)	(491,388,812)	(5,783,874,018)	(5,783,874,018)
▪ Accrued expenses	(6,919,288,070)	(6,919,288,070)	(8,676,651,362)	(8,676,651,362)
▪ Other payables	(1,707,027,964)	(1,707,027,964)	(1,317,192,219)	(1,317,192,219)

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 on the measurement date.

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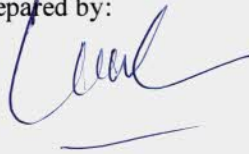
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Fair values of the Company's financial assets and liabilities approximate their carrying values as at 31 December 2016 and 2015 due to the short-term maturities of these financial instruments.

28 March 2017

Prepared by:



Mr. Nguyen Huu Tuan  
*General Accountant*

Approved by:



Mr. Pham Thanh Dung  
*Chief Accountant*



Mr. Tran Thanh Tan  
*Chief Executive Officer*

