



**Vietnam Investment Fund Management
Joint Stock Company**

Interim Financial Statements for
the six-month period ended
30 June 2017

**Vietnam Investment Fund Management Joint Stock Company
Corporate Information**

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

Board of Management	Mr. Dominic Scriven	Chairman
	Mr. Tran Thanh Tan	Vice Chairman
	Ms. Luong Thi My Hanh	Member
	Mr. Le Hoang Anh	Member
	Mr. Nguyen Van Cuu	Member

Board of Directors	Mr. Tran Thanh Tan	Chief Executive Officer
	Ms. Luong Thi My Hanh	Deputy General Director
	Mr. Tran Le Minh	Deputy General Director
	Mr. Nguyen Minh Dang Khanh	Deputy General Director
	Mr. Tran Van Hieu	Deputy General Director (from 2 March 2017)

Registered Office	17th Floor, Me Linh Point 2 Ngo Duc Ke Street Ben Nghe Ward, District 1 Ho Chi Minh City Vietnam
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Auditor	KPMG Limited Vietnam
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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 interim financial statements of the Company for the six-month period ended 30 June 2017.

The Board of Directors is responsible for the preparation and fair presentation of the interim 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 interim financial reporting. In the opinion of the Company’s Board of Directors:

- (a) the interim financial statements set out on pages 5 to 59 give a true and fair view of the financial position of the Company as at 30 June 2017, and of its results of operations and its cash flows for the six-month period 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 interim 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 interim financial statements have been prepared on a going concern basis.

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

On behalf of the Board of Directors 



Tran Thanh Tan
Chief Executive Officer

Ho Chi Minh City, 11 August 2017



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INTERIM FINANCIAL STATEMENTS REVIEW REPORT

To the Shareholders Vietnam Investment Fund Management Joint Stock Company

We have reviewed the accompanying interim financial statements of Vietnam Investment Fund Management Joint Stock Company (“the Company”), which comprise the balance sheet as at 30 June 2017, the statements of income and cash flows for the six-month period then ended and the explanatory notes thereto which were authorised for issue by the Company’s Board of Directors on 11 August 2017, as set out on pages 5 to 59.

Management’s Responsibility

The Company’s Board of Directors is responsible for the preparation and fair presentation of these interim 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 interim financial reporting, and for such internal control as the Board of Directors determines is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express a conclusion on these interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review engagements 2410 – *Review of interim financial information performed by the independent auditor of the entity*.

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



Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view, in all material respects, of the financial position of Vietnam Investment Fund Management Joint Stock Company as at 30 June 2017, and of its results of operations and its cash flows for the six-month period 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 interim financial reporting.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Review Report No.: 17-01-271/1




Hà Vu Dinh

Practicing Auditor Registration
Certificate No.0414-2013-007-1
Deputy General Director

Ho Chi Minh City, 11 August 2017

Vietnam Investment Fund Management Joint Stock Company
Balance sheet as at 30 June 2017

Form B01a – CTQ
*(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)*

	Code	Note	30/6/2017 VND	31/12/2016 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 150)	100		147,053,907,483	147,800,698,143
Cash and cash equivalents	110	4	7,324,016,684	10,893,696,113
Cash	111		2,324,016,684	1,893,696,113
Cash equivalents	112		5,000,000,000	9,000,000,000
Short-term financial investments	120		94,206,475,596	122,414,574,403
Held-for-trading securities	121	5(a)	96,436,348,796	99,574,071,750
Allowance for diminution in the value of held-for-trading securities	122	5(a)	(2,229,873,200)	(2,159,497,347)
Held-to-maturity investments	123	5(b)	-	25,000,000,000
Accounts receivable – short-term	130		44,616,138,778	12,999,225,824
Accounts receivable from customers	131	6	37,871,114,989	-
Prepayments to suppliers	132		686,553,460	276,299,800
Receivables from management activities	134	7	3,956,504,398	10,231,637,080
Other short-term receivables	135	8	2,101,965,931	2,491,288,944
Other current assets	150		907,276,425	1,493,201,803
Short-term prepaid expenses	151		907,276,425	1,493,201,803

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

Vietnam Investment Fund Management Joint Stock Company
Balance sheet as at 30 June 2017 (continued)

Form B01a – CTQ
*(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)*

	Code	Note	30/6/2017 VND	31/12/2016 VND
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200		37,407,140,496	38,464,169,965
Accounts receivable – long-term	210		890,374,420	890,374,420
Other long-term receivables	218		890,374,420	890,374,420
Fixed assets	220		7,980,654,521	3,143,547,460
Tangible fixed assets	221	9	1,777,807,975	1,960,212,549
Cost	222		10,413,551,936	10,253,343,336
Accumulated depreciation	223		(8,635,743,961)	(8,293,130,787)
Intangible fixed assets	227	10	6,202,846,546	1,183,334,911
Cost	228		9,332,737,811	3,951,837,811
Accumulated amortisation	229		(3,129,891,265)	(2,768,502,900)
Long-term work in progress	240		351,769,000	5,625,169,000
Construction in progress	242	11	351,769,000	5,625,169,000
Long-term financial investments	250		25,000,000,000	25,000,000,000
Held-to-maturity investments	255	5(b)	25,000,000,000	25,000,000,000
Other long-term assets	260		3,184,342,555	3,805,079,085
Long-term prepaid expenses	261	12	1,972,020,675	2,440,836,859
Deferred tax assets	262	13	1,212,321,880	1,364,242,226
TOTAL ASSETS (270 = 100 + 200)	270		184,461,047,979	186,264,868,108

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

Vietnam Investment Fund Management Joint Stock Company
Balance sheet as at 30 June 2017 (continued)

Form B01a – CTQ
(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)

	Code	Note	30/6/2017 VND	31/12/2016 VND
RESOURCES				
LIABILITIES (300 = 310)	300		8,583,694,602	10,793,054,261
Current liabilities	310		8,583,694,602	10,793,054,261
Accounts payable to suppliers	311	14	555,078,267	491,388,812
Taxes and others payable to State Treasury	314	15	1,678,470,130	1,675,349,415
Accrued expenses	316	16	4,755,396,668	6,919,288,070
Other payables	319		1,594,749,537	1,707,027,964
EQUITY (400 = 410)	400		175,877,353,377	175,471,813,847
Owners' equity	410	17	175,877,353,377	175,471,813,847
Share capital	411	18	229,512,030,000	229,512,030,000
Share premium	412		(60,690,000,000)	(60,690,000,000)
Treasury shares	414	18	(60,690,000,000)	(60,690,000,000)
Financial reserve	418		8,859,267,154	8,838,990,177
Supplement charter capital reserve	419		820,993,836	800,716,859
Retained profits	420		58,065,062,387	57,700,076,811
TOTAL RESOURCES	440		184,461,047,979	186,264,868,108
(440 = 300 + 400)				

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

Vietnam Investment Fund Management Joint Stock Company
Balance sheet as at 30 June 2017 (continued)

Form B01a – CTQ
(Issued under Circular No. 125/2011/TT-BTC dated 5 September 2011 of the Ministry of Finance)

OFF-BALANCE SHEET ITEMS

	Code	Note	30/6/2017 VND	31/12/2016 VND
Foreign currencies	005	19	8,024,513	1,624,513
Cash in banks of entrustors	030	20	1,857,518,452	17,610,837,866
- Foreign entrustors	032		1,857,518,452	17,610,837,866
Investment portfolio of entrustors	040	21	118,922,521,957	115,780,520,444
- Foreign entrustors	042		118,922,521,957	115,780,520,444
Payables of entrustors	051	22	930,135,336	971,347,779

11 August 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 interim financial statements

Vietnam Investment Fund Management Joint Stock Company
Statement of income for the six-month period ended 30 June 2017

Form B02a – CTQ

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

	Code	Note	Six-month period ended 30/6/2017 VND	Six-month period ended 30/6/2016 VND
Net revenue	10	23	15,556,651,421	11,468,533,988
Financial income	21	24	10,558,692,403	6,009,169,195
Financial expenses	22	25	159,386,135	(588,243,699)
General and administration expenses	25	26	25,565,873,230	19,216,596,204
Net operating profit/(loss) {30 = 10 + (21 - 22) - 25}	30		390,084,459	(1,150,649,322)
Other income	31	27	167,375,417	1,221,304,546
Result of other activities (40 = 31)	40		167,375,417	1,221,304,546
Accounting profit before tax (50 = 30 + 40)	50		557,459,876	70,655,224
Income tax expense – current	51	28	-	-
Income tax expenses/(benefit) - deferred	52	28	151,920,346	(51,281,659)
Net profit after tax (60 = 50 - 51 - 52)	60		405,539,530	121,936,883
Earnings per share	70	30	24	7


11 August 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 interim financial statements

Vietnam Investment Fund Management Joint Stock Company
Statement of cash flows for the six-month period ended 30 June 2017
(Direct method)

Form B03a – CTQ
(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)

	Code	Six-month period ended 30/6/2017 VND	Six-month period ended 30/6/2016 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from fund management activities and other activities	01	21,847,396,514	11,304,902,096
Cash payments for management activities and cash payments to suppliers	02	(9,087,551,705)	(8,578,820,524)
Cash payments to employees	03	(11,377,474,904)	(10,249,556,347)
Corporate income tax paid	05	-	(3,580,668,049)
Other receipts from operating activities	06	5,311,195,847	2,169,371,667
Other payments for operating activities	07	(11,503,575,551)	(6,267,813,353)
Net cash flows from operating activities	20	(4,810,009,799)	(15,202,584,510)
NET CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(267,708,600)	(6,049,005,000)
Proceeds from disposals of fixed assets and other long-term assets	22	290,062,500	797,367,046
Placement of term deposits and certificate of deposits	23	-	(25,000,000,000)
Withdrawal of term deposits and certificate of deposits	24	25,000,000,000	25,000,000,000
Payments for investments in shares	25	(72,018,522,073)	(52,817,428,346)
Proceeds from disposals of shares	26	44,741,703,792	37,295,622,207
Receipts of dividends	27	616,646,000	252,000,000
Receipts of interest from term deposits and certificate of deposits	27	2,878,148,751	3,692,883,008
Net cash flows from investing activities	30	1,240,330,370	(16,828,561,085)

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

Vietnam Investment Fund Management Joint Stock Company
Statement of cash flows for the six-month period ended 30 June 2017
(Direct method – continued)

Form B03a – CTQ
(Issued under Circular No. 125/2011/TT-BTC dated 5 September 2011 of the Ministry of Finance)

	Code	Six-month period ended 30/6/2017 VND	Six-month period ended 30/6/2016 VND
Net cash flows during the period (50 = 20 + 30)	50	(3,569,679,429)	(32,031,145,595)
Cash and cash equivalents at the beginning of the period	60	10,893,696,113	80,690,535,210
Cash and cash equivalents at the end of the period (70 = 50 + 60) (Note 4)	70	7,324,016,684	48,659,389,615

11 August 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 interim financial statements

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2017

Form B09a – 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 interim financial statements.

1. Reporting entity

(a) Ownership structure

Vietnam Investment Fund Management Joint Stock Company (“the Company”) is a joint stock company incorporated in Vietnam under Investment Licence No. 01/GPĐT-UBCKNN issued by the Chairman of State Securities Committee of Vietnam (“SSC”) on 15 July 2003. 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.

(b) Principals activities

The principal activities of the Company are to provide fund management services and investment portfolio management services and its amendments.

(c) Normal operating cycle

The normal operating cycle of the Company is generally within 12 months.

(d) Company structure

As at 30 June 2017, the Company had 41 employees (31/12/2016: 38 employees) of which 18 were management personnel, 3 were newly recruited, none were resigned and none were disciplined (31/12/2016: 17 were management personnel, 9 were newly recruited, 11 were resigned and none were disciplined).

As at 30 June 2017, the Company had 16 employees (31/12/2016: 11 employees) who were qualified for fund and assets management.

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2017
(continued)

Form B09a – CTQ
*(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)*

2. Basis of preparation

(a) Statement of compliance

The interim 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 interim financial reporting. These standards and statutory requirements may differ in some material respects from International Financial Reporting Standards and the generally accepted accounting principles and standards of other countries. Accordingly, the accompanying interim financial statements are not intended to present the financial position and results of operations and cash flows in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than Vietnam. Furthermore, their utilisation is not designed for those who are not informed about Vietnam's accounting principles, procedures and practices applicable to investment fund management companies.

(b) Basis of measurement

The interim 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. These interim financial statements are for the six-month period ended 30 June 2017.

(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.

(e) Accounting documentation system

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

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2017
(continued)

Form B09a – CTQ
(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)

3. Summary of significant accounting policies

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

The accounting policies that have been adopted by the Company in the preparation of these interim financial statements are consistent with those adopted in the preparation of the latest annual financial statements.

(a) Foreign currency transactions

Transactions in currencies other than VND during the period 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 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

Investments comprises held for trading securities and held-to-maturity 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 such as brokerage charge, trading, providing information fee and bank charge (if any). Subsequent to initial recognition, held-for-trading securities 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 falls below its carrying amount based on promulgation of Circular No. 146/2014/TT-BTC dated 6 October 2014 (“Circular 146”) issued by the Ministry of Finance providing guidance of financial system for securities companies and investment fund management companies.

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2017
(continued)

Form B09a – CTQ

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

For listed securities, securities registered for trading, market value is the price on the Stock Exchanges at the latest trading date prior to the balance sheet date, in details:

- For listed securities on the Stock Exchanges, market value is the closing price at the latest trading date prior to the balance sheet date.
- For securities registered for trading (shares registered for trading on UpCom), market value is closing price at the latest trading date prior to the balance sheet date.

For unlisted securities and securities not yet registered for trading, market value is average quoted prices from at least three securities companies having trading transaction at the latest trading date prior to balance sheet date but not exceed one month prior to the balance sheet date. If there was no trading transaction during that period, the Company made no allowance for diminution in value of held-for-trading securities.

The Company made no allowance for diminution in value of held-for-trading securities if the Company were not able to determine market value of the securities.

Allowance for diminution in value of held-for-trading securities mentioned above 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.

(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 certificates of deposits issued by credit institutions. These investments are stated at costs less allowance for doubtful debts.

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2017
(continued)

Form B09a – CTQ
*(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)*

(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:

Overdue status	Allowance rate
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 period, 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 period 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.

(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 6 years
- motor vehicles 3 – 6 years

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2017
(continued)

Form B09a – CTQ
(Issued under Circular No. 125/2011/TT-BTC dated 5 September 2011 of the Ministry of Finance)

(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 a period ranging from 4 to 8 years.

(g) Construction in progress

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

(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) *Tools and instruments*

Tools and instruments 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 No. 45/2013/TT-BTC dated 25 April 2013 issued by the Ministry of Finance which provides guidance on management, use and depreciation of fixed assets. Cost of tools and instruments 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.

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2017
(continued)

Form B09a – CTQ
*(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)*

(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 period 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 period, using the tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous periods.

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 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 from issuance of shares over the par value of shares issued is recorded as share premium.

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2017
(continued)

Form B09a – CTQ

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

(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) Statutory 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:

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

The purpose of the supplement charter capital reserve is to supplement charter capital of the Company as approved by shareholders.

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.

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.

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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 with Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance.

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(p) Revenue and other incomes

(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) Revenue from trading securities

Revenue from trading securities is recognised in the statement of income when the Company received Notice of payment for trading securities from Vietnam Securities Depository (for listed securities) and completed asset transferred agreement (for unlisted securities).

(iv) 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.

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(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 (after appropriation to bonus and welfare fund for the six-month period ended 30 June 2017) 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.

(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.

(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 interim financial statements indicate nil balances.

4. Cash and cash equivalents

	30/6/2017	31/12/2016
	VND	VND
Cash on hand	57,778,599	339,740,558
Cash in banks	2,266,238,085	1,553,955,555
Cash equivalents	5,000,000,000	9,000,000,000
	<hr/>	<hr/>
Cash and cash equivalents in the statement of cash flows	7,324,016,684	10,893,696,113
	<hr/>	<hr/>

Cash equivalents as at 30 June 2017 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 1% (31/12/2016: 5.3%).

Vietnam Investment Fund Management Joint Stock Company

Notes to the interim financial statements for the six-month period ended 30 June 2017 (continued)

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5. Short-term financial investments

(a) Held-for-trading securities

	30/6/2017			31/12/2016			
	Quantity	Cost VND	Fair value VND	Quantity	Cost VND	Fair value VND	Allowance for diminution in value VND
Listed fund certificates							
▪ E1VFN30	500,000.00	5,314,119,955	6,280,000,000	-	29,759,071,750	28,476,000,000	(1,283,071,750)
Unlisted fund certificates							
▪ VFMVF1	388,786.53	11,058,364,388	12,742,933,401	-	33,406,250,000	33,060,222,008	(346,027,992)
▪ VFMVF4	1,155,342.44	14,685,595,365	17,201,847,375	-	36,408,750,000	35,878,352,395	(530,397,605)
Listed shares							
▪ MWG	173,700	14,979,375,888	17,873,730,000	-	-	-	-
▪ VGC	400,000	6,480,000,000	7,800,000,000	-	-	-	-
▪ PNJ	100,000	9,519,000,000	10,180,000,000	-	-	-	-

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	30/6/2017			31/12/2016			
	Quantity	Cost VND	Fair value VND	Quantity	Cost VND	Fair value VND	Allowance for diminution in value VND
Unlisted shares							
▪ VPBank	305,509	8,446,000,000	9,470,779,000	-	-	-	-
▪ CTR	170,816	5,124,504,000	5,124,480,000	-	-	-	-
▪ KDF	45,000	2,340,000,000	2,610,000,000	-	-	-	-
▪ THA	91,111	14,985,389,200	12,755,540,000	-	-	-	-
▪ VCSC (*)	73,000	3,504,000,000	3,504,000,000	-	-	-	-
		96,436,348,796	105,543,309,776		99,574,071,750	97,414,574,403	(2,159,497,347)

(*) On 7 July 2017, the Ho Chi Minh City Stock Exchange (HOSE) approved the listing of Viet Capital Securities Joint Stock Company for the first time with the stock code VCI.

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Movements in allowance for diminution in the value of held-for-trading investments during the period were as follows:

	Six-month period ended 30/6/2017 VND	Six-month period ended 30/6/2016 VND
Opening balance	2,159,497,347	1,354,598,870
Reversal of allowance during the period	(2,159,497,347)	(1,354,598,870)
Additions during the period	2,229,873,200	671,312,067
	<hr/>	<hr/>
Closing balance	2,229,873,200	671,312,067
	<hr/> <hr/>	<hr/> <hr/>

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2017 (continued)

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(b) Held-to-maturity investments

Held-to-maturity investments – short-term

Certificate of deposits

HD SAISON Finance Co., Ltd

Held-to-maturity investments – long-term

Certificate of deposits

HD SAISON Finance Co., Ltd

	Currency	Annual interest rate	Effective date	Maturity date	30/6/2017 VND	31/12/2016 VND
	VND	11.00%	9/5/2016	9/5/2017	-	25,000,000,000
	VND	11.50%	11/7/2016	11/7/2018	25,000,000,000	25,000,000,000
					25,000,000,000	50,000,000,000

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6. Accounts receivable from customers

Accounts receivable from customers detailed by significant customers

	30/6/2017	31/12/2016
	VND	VND
Ho Chi Minh City Securities Corporation	25,546,073,325	-
VF1 - Vietnam Securities Investment Fund (i)	6,456,420,924	-
VF4 - Vietnam Blue-Chips Fund (i)	5,868,620,740	-
	<hr/>	
	37,871,114,989	-
	<hr/>	

(i) Accounts receivable from customers who are related parties

	30/6/2017	31/12/2016
	VND	VND
VF1 - Vietnam Securities Investment Fund	6,456,420,924	-
VF4 - Vietnam Blue-Chips Fund	5,868,620,740	-
	<hr/>	
	12,325,041,664	-
	<hr/>	

The trade related amounts due from related parties were unsecured, interest free and are receivable on demand.

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2017
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7. Receivables from management activities

	30/6/2017	31/12/2016
	VND	VND
Receivables from fund management activities – related parties (Note 29):	3,033,595,783	2,301,438,514
▪ VF1 - Vietnam Securities Investment Fund	1,403,642,020	1,387,246,829
▪ VF4 - Vietnam Blue-Chips Fund	725,593,924	601,599,286
▪ VFB - Vietnam Bond Fund	616,161,382	81,234,543
▪ ETF - VFMVN30 ETF Fund	288,198,457	231,357,856
Receivables from investment portfolio management activities:	890,285,224	913,187,586
▪ CAF - CA Asia Internet Fund I, L.P	472,752,895	103,860,667
▪ JMAP - JIEM Asia Pacific Pte. Ltd	169,171,043	144,513,716
▪ CAV - Cyberagent Ventures, Inc	-	113,955,537
▪ PixVC - Pix Vine Capital Pte. Ltd	46,764,268	35,454,957
▪ DCK - Dragon Capital Markets Limited	201,597,018	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	32,623,391	17,010,980
▪ JMAP - JIEM Asia Pacific Pte. Ltd	11,623,391	7,010,980
▪ DCK - Dragon Capital Markets Limited	21,000,000	5,000,000
▪ UCITS - DC Developing Markets Strategies Public Limited Company	-	5,000,000
Receivables from securities investment consulting activities provided to Dragon Capital Markets Limited – other related party	-	7,000,000,000
	3,956,504,398	10,231,637,080

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

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Notes to the interim financial statements for the six-month period ended 30 June 2017
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8. Other short-term receivables

	30/6/2017	31/12/2016
	VND	VND
Interest receivables from term deposits and certificate of deposits	1,366,041,667	1,797,094,444
Deposit for auction of securities	606,000,000	-
Receivables from funds under management (Note 29)	5,632,000	5,632,000
Receivables from disposals of fixed assets	-	290,062,500
Other receivables	124,292,264	398,500,000
	<hr/>	<hr/>
	2,101,965,931	2,491,288,944
	<hr/>	<hr/>

9. Tangible fixed assets

Six-month period ended 30 June 2017	Office equipment VND	Motor vehicles VND	Total VND
Cost			
Opening balance	9,115,583,672	1,137,759,664	10,253,343,336
Additions	160,208,600	-	160,208,600
	<hr/>	<hr/>	<hr/>
Closing balance	9,275,792,272	1,137,759,664	10,413,551,936
Accumulated depreciation			
Opening balance	7,155,371,123	1,137,759,664	8,293,130,787
Charge for the period	342,613,174	-	342,613,174
	<hr/>	<hr/>	<hr/>
Closing balance	7,497,984,297	1,137,759,664	8,635,743,961
Net book value			
Opening balance	1,960,212,549	-	1,960,212,549
Closing balance	1,777,807,975	-	1,777,807,975
	<hr/>	<hr/>	<hr/>

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2017
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9. Tangible fixed assets (continued)

Six-month period ended 30 June 2016	Office equipment VND	Motor vehicles VND	Total VND
Cost			
Opening balance	8,917,206,712	4,122,937,344	13,040,144,056
Additions	41,140,000	-	41,140,000
Disposals	-	(2,985,177,680)	(2,985,177,680)
Closing balance	8,958,346,712	1,137,759,664	10,096,106,376
Accumulated depreciation			
Opening balance	6,512,475,451	4,122,937,344	10,635,412,795
Charge for the period	316,877,741	-	316,877,741
Disposals	-	(2,985,177,680)	(2,985,177,680)
Closing balance	6,829,353,192	1,137,759,664	7,967,112,856
Net book value			
Opening balance	2,404,731,261	-	2,404,731,261
Closing balance	2,128,993,520	-	2,128,993,520

Included in tangible fixed assets were assets costing VND7,173,672,781 which were fully depreciated as of 30 June 2017 (31/12/2016: VND7,141,458,081) but which are still in active use.

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Notes to the interim financial statements for the six-month period ended 30 June 2017
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10. Intangible fixed assets

	Software	
	Six-month period ended 30/6/2017	Six-month period ended 30/6/2016
Cost		
Opening balance	3,951,837,811	3,051,745,811
Additions	107,500,000	382,696,000
Transfer from construction in progress	5,273,400,000	-
	9,332,737,811	3,434,441,811
Accumulated amortisation		
Opening balance	2,768,502,900	2,396,685,473
Charge for the period	361,388,365	160,128,336
	3,129,891,265	2,556,813,809
Net book value		
Opening balance	1,183,334,911	655,060,338
Closing balance	6,202,846,546	877,628,002

Included in intangible fixed assets were assets costing VND1,979,881,711 which were fully amortised as of 30 June 2017 (31/12/2016: VND1,979,881,711) but which are still in active use.

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11. Construction in progress

	Six-month period ended 30/6/2017	Six-month period ended 30/6/2016
Opening balance	5,625,169,000	5,273,400,000
Additions	-	351,769,000
Transfer to intangible fixed assets	(5,273,400,000)	-
Closing balance	351,769,000	5,625,169,000

Major constructions in progress were as follows:

	30/06/2017 VND	31/12/2016 VND
Fundcore investment software: Asset Management System (AMS) and Portfolio Asset Management (PAM)	-	5,273,400,000
Dynamics CRM software	351,769,000	351,769,000
	351,769,000	5,625,169,000

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12. Long-term prepaid expenses

Six-month period ended 30 June 2017

	Golf club memberships VND	Leasehold improvements VND	Tools and instruments VND	Total VND
Opening balance	163,454,150	-	2,277,382,709	2,440,836,859
Additions	-	-	163,799,981	163,799,981
Amortisation during the period	(33,818,100)	-	(598,798,065)	(632,616,165)
Closing balance	129,636,050	-	1,842,384,625	1,972,020,675

Six-month period ended 30 June 2016

	Golf club memberships VND	Leasehold improvements VND	Tools and instruments VND	Total VND
Opening balance	231,090,350	936,071	810,668,374	1,042,694,795
Additions	-	-	1,483,740,621	1,483,740,621
Amortisation during the period	(33,818,100)	(936,071)	(417,443,436)	(452,197,607)
Closing balance	197,272,250	-	1,876,965,559	2,074,237,809

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Notes to the interim financial statements for the six-month period ended 30 June 2017
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13. Deferred tax assets

Recognised deferred tax assets

	Tax rate	30/6/2017 VND	31/12/2016 VND
<i>Recognised deferred tax assets:</i>			
Accruals	20%	729,460,013	1,364,242,226
Tax losses carry-forwards	20%	482,861,867	-
		1,212,321,880	1,364,242,226

14. Accounts payable to suppliers

Accounts payable to suppliers detailed by significant suppliers

	30/6/2017		31/12/2016	
	Cost VND	Amount within payment capacity VND	Cost VND	Amount within payment capacity VND
Pham Loc Tong Ba	227,015,069	227,015,069	-	-
Nguyen Dan	-	-	100,010,000	100,010,000
Branch of Gamma Joint Stock Company	-	-	53,382,879	53,382,879
Other suppliers	328,063,198	328,063,198	337,995,933	337,995,933
	555,078,267	555,078,267	491,388,812	491,388,812

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Notes to the interim financial statements for the six-month period ended 30 June 2017
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15. Taxes and others payable to State Treasury

	31/12/2016 VND	Incurred VND	Paid VND	30/6/2017 VND
Value added tax	675,909	-	(675,909)	-
Corporate income tax	1,177,220,991	-	-	1,177,220,991
Personal income tax	497,452,515	2,376,721,046	(2,388,900,356)	485,273,205
Foreign contractor tax	-	74,688,415	(59,103,372)	15,585,043
Other taxes	-	161,100,422	(160,709,531)	390,891
	<u>1,675,349,415</u>	<u>2,612,509,883</u>	<u>(2,609,389,168)</u>	<u>1,678,470,130</u>

16. Accrued expenses

	30/6/2017 VND	31/12/2016 VND
Performance bonus	1,684,280,489	3,988,353,384
Salary based on efficiency	1,963,019,575	2,832,857,746
13 th month salary	909,991,736	-
Technical support fee	189,464,868	25,503,466
Others	8,640,000	72,573,474
	<u>4,755,396,668</u>	<u>6,919,288,070</u>

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17. Changes in owners' equity

	Share capital VND	Share premium VND	Treasury shares VND	Financial reserve VND	Supplement charter capital reserve VND	Retained profits VND	Total VND
Balance at 1 January 2017	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
Net profit for the period	-	-	-	-	-	405,539,530	405,539,530
Appropriation to financial reserve	-	-	-	20,276,977	-	(20,276,977)	-
Appropriation to supplement charter capital reserve	-	-	-	-	20,276,977	(20,276,977)	-
Balance at 30 June 2017	229,512,030,000	(60,690,000,000)	(60,690,000,000)	8,859,267,154	820,993,836	58,065,062,387	175,877,353,377
Balance at 1 January 2016	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 period	-	-	-	-	-	121,936,883	121,936,883
Appropriation to financial reserve	-	-	-	6,096,844	-	(6,096,844)	-
Appropriation to supplement charter capital reserve	-	-	-	-	6,096,844	(6,096,844)	-
Balance at 30 June 2016	229,512,030,000	(60,690,000,000)	(60,690,000,000)	8,815,815,053	777,541,735	57,282,924,587	175,008,311,375

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18. Share capital

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

	30/6/2017 and 31/12/2016	
	Number of shares	VND
Authorised share capital	22,951,203	229,512,030,000
Issued share capital – Ordinary shares	22,951,203	229,512,030,000
Treasury shares – Ordinary shares	(6,069,000)	(60,690,000,000)
Shares currently in circulation – Ordinary shares		
▪ 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
▪ Ho Chi Minh City Securities Corporation	2,180,364	21,803,640,000
▪ Employees	1,051,203	10,512,030,000
	16,882,203	168,822,030,000

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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19. Off balance sheet items

(a) Lease commitments

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

	30/6/2017	31/12/2016
	VND	VND
Within one year	3,510,163,636	4,102,834,261
Within two to five years	1,002,272,727	2,321,034,545
	4,512,436,363	6,423,868,806

(b) Foreign currencies

	30/6/2017		31/12/2016	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	480	8,024,513	71	1,624,513

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20. Cash in banks of entrustors

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

Foreign entrustors	30/6/2017 VND	31/12/2016 VND
CAF - CA Asia Internet Fund I, L.P (i)	1,823,297,621	1,845,679,068
PixVC - Pix Vine Capital Pte. Ltd (ii)	29,029,269	31,431,277
CAV - Cyberagent Ventures, Inc (iii)	-	15,710,048,808
JMAP - JIEM Asia Pacific Pte. Ltd (iv)	2,376,076	2,438,722
DCK - Dragon Capital Markets Limited (v)	2,815,486	920,692
UCITS - DC Developing Markets Strategies Public Limited Company (vi)	-	2,173,234
VEIL - Vietnam Enterprise Investments Limited (vii)	-	18,146,065
	1,857,518,452	17,610,837,866

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

(i) CAF

	Six-month period ended 30/6/2017	Six-month period ended 30/6/2016
Opening balance	1,845,679,068	106,211,740
Increase during the period	3,018,639	2,254,662,275
<i>Interest income received</i>	3,018,639	7,602,354
<i>Cash receipts from disposals of securities</i>	-	2,247,059,921
Decrease during the period	(25,400,086)	(32,538,249)
<i>Custody fees</i>	(25,334,086)	(30,214,189)
<i>Bank charge</i>	(66,000)	(77,000)
<i>Income tax paid for disposals of securities</i>	-	(2,247,060)
Closing balance	1,823,297,621	2,328,335,766

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(ii) PixVC

	Six-month period ended 30/6/2017	Six-month period ended 30/6/2016
Opening balance	31,431,277	36,148,281
Increase during the period	52,294	137,584
<i>Interest income received</i>	52,294	137,584
Decrease during the period	(2,454,302)	(2,488,014)
<i>Custody fees</i>	(2,388,302)	(2,422,014)
<i>Bank charge</i>	(66,000)	(66,000)
Closing balance	29,029,269	33,797,851

(iii) CAV

	Six-month period ended 30/6/2017	Six-month period ended 30/6/2016
Opening balance	15,710,048,808	116,149,607
Increase during the period	3,709,179	16,539,451,661
<i>Interest income received</i>	3,709,179	58,657,243
<i>Dividends received</i>	-	11,620,794,418
<i>Share surplus declared from investee</i>	-	4,860,000,000
Decrease during the period	(15,713,757,987)	(984,671,847)
<i>Withdrawal of funds from entrustor</i>	(15,593,004,829)	-
<i>Income tax for share surplus declared</i>	-	(972,000,000)
<i>Custody fees</i>	(3,077,441)	(12,392,007)
<i>Bank charge</i>	(11,000)	(279,840)
<i>Management fees</i>	(113,955,537)	-
<i>Other payment</i>	(3,709,180)	-
Closing balance	-	15,670,929,421

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(iv) JMAP

	Six-month period ended 30/6/2017	Six-month period ended 30/6/2016
Opening balance	2,438,722	4,881,294
Increase during the period	3,354	12,117
<i>Interest income received</i>	3,354	12,117
Decrease during the period	(66,000)	(2,397,084)
<i>Custody fees</i>	-	(2,331,084)
<i>Bank charge</i>	(66,000)	(66,000)
	<hr/>	<hr/>
Closing balance	2,376,076	2,496,327
	<hr/>	<hr/>

(v) DCK

	Six-month period ended 30/6/2017	Six-month period ended 30/6/2016
Opening balance	920,692	-
Increase during the period	3,158,005,365	-
<i>Cash receipts from entrustor</i>	3,142,001,513	-
<i>Interest income received</i>	3,852	-
<i>Other receipts</i>	16,000,000	-
Decrease during the period	(3,156,110,571)	-
<i>Payment for purchases of securities</i>	(3,142,001,513)	-
<i>Custody fees</i>	(12,639,858)	-
<i>Bank charge</i>	(55,000)	-
<i>Other payment</i>	(1,414,200)	-
	<hr/>	<hr/>
Closing balance	2,815,486	-
	<hr/>	<hr/>

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(vi) UCITS

	Six-month period ended 30/6/2017	Six-month period ended 30/6/2016
Opening balance	2,173,234	-
Increase during the period	535	-
<i>Interest income received</i>	535	-
Decrease during the period	(2,173,769)	-
<i>Custody fees</i>	(1,016,176)	-
<i>Bank charge</i>	(440,000)	-
<i>Other payment</i>	(717,593)	-
	<hr/>	<hr/>
Closing balance	-	-

(vii) VEIL

	Six-month period ended 30/6/2017	Six-month period ended 30/6/2016
Opening balance	18,146,065	-
Increase during the period	4,267,495	-
<i>Cash receipts in advance from the Company</i>	4,267,495	-
Decrease during the period	(22,413,560)	-
<i>Custody fees</i>	(21,973,560)	-
<i>Bank charge</i>	(440,000)	-
	<hr/>	<hr/>
Closing balance	-	-

21. Investment portfolio of entrustors

	30/6/2017 VND	31/12/2016 VND
Foreign entrustors		
Unlisted securities	118,922,521,957	115,780,520,444
	<hr/>	<hr/>

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

	Code	30/6/2017		31/12/2016	
		Quantity	Cost VND	Quantity	Cost VND
Unlisted securities					
▪ Sakkara Asia Pacific Project Holdings and Investment Real Estate	SAKKARA	1,223,650	38,447,101,513	1,123,650	35,305,100,000
▪ E.D.H Trading Development and Investment Corporation	E.D.H	9,790	16,863,956,320	9,790	16,863,956,320
▪ NCT Corporation	NCT	9,602	12,609,600,000	9,602	12,609,600,000
▪ Vexere Joint Stock Company	Vexere	4,074	15,099,999,932	4,074	15,099,999,932
▪ 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	780,047	7,461,760,956
▪ Foody Corporation	Foody	87,094	7,319,158,772	87,094	7,319,158,772
		2,279,110	118,922,521,957	2,179,110	115,780,520,444

22. Payables of entrustors

	30/6/2017 VND	31/12/2016 VND
Investment portfolio management fees	890,285,224	913,187,586
Custodian fees	7,226,721	34,024,213
Payable for payment on behalf made by the Company	32,623,391	17,010,980
Others	-	7,125,000
	930,135,336	971,347,779

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23. Net revenue

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

Net revenue comprised:

	Six-month period ended 30/6/2017 VND	Six-month period ended 30/6/2016 VND
Management fees		
▪ Fund management activities	13,025,038,722	10,946,880,322
▪ Entrusted investment portfolio management	550,893,281	344,828,046
Revenue from redemption of fund certificates	984,508,824	126,295,730
Revenue from subscription of fund certificates	996,210,594	50,529,890
	15,556,651,421	11,468,533,988

The Company currently manages VF1, VF2, VF4, VFA, VFB and ETF which are investment funds incorporated in Vietnam. In which, VF2 is in the liquidation process and VFA is in the dissolution process. Details of these funds were as follows:

Short name	Principal activity	Business Registration Certificate	Net asset value as at 30/6/2017 VND
VF1	Investment fund	No. 05/GCN-UBCK dated 08 October 2013	818,514,985,936
VF2	Investment fund	No. 08/UBCK-TLQTV dated 13 December 2006	35,621,852,887
VF4	Investment fund	No. 06/GCN-UBCK dated 16 December 2013	333,945,517,864
VFA	Investment fund	No. 03/UBCK-GCN dated 18 April 2013	382,423,538
VFB	Investment fund	No. 04/GCN-UBCK dated 10 June 2013	320,588,862,096
ETF	Exchange-traded fund	No. 14/GCN-UBCK dated 18 September 2014	622,534,351,554

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

Fund	Management fees
VF1	1.95% of net asset value per year
VF4	1.93% 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 six-month period ended 30 June 2017, no management fee from VF2 was accrued for due to the fund is in liquidation process (for the six-month period ended 30 June 2016: Nil).

In accordance with the charter of VFA, the Company is entitled to receive a monthly management fee in arrears equal to one twelve of 1.78% net asset value of VFA. According to 2016 Resolution of Investors General Meeting and 2017 Extraordinary General Meeting dated 13 February 2017, the Company agreed not to receive any monthly management fees from VFA from 17 March 2017.

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 six-month period ended 30 June 2017 as the conditions have not been met (for the six-month period ended 30 June 2016: Nil).

The Company is also entitled to receive fees from subscription and redemption of fund certificates as below:

Fund	Total subscription fee	Total redemption fee
VF1	0.25% - 0.75% of subscription amount (for the six-month period ended 30 June 2016: 0.20% - 1.00% of subscription amount)	0.00% - 1.50% of fund certificates value
VF4	0.25% - 0.75% of subscription amount (for the six-month period ended 30 June 2016: 0.20% - 1.00% of subscription amount)	0.00% - 1.50% of fund certificates value
VFB	0.25% - 0.75% of subscription amount (for the six-month period ended 30 June 2016: 0.30% - 0.60% of par value/subscription amount)	0.00% - 1.50% of fund certificates value (for the six-month period ended 30 June 2016: 0.00% - 1.00% of fund certificates value)
ETF	0.00% of subscription amount	0.00% - 0.15% of fund certificates value

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24. Financial income

	Six-month period ended 30/6/2017 VND	Six-month period ended 30/6/2016 VND
Gains from disposals of unlisted shares	3,393,855,109	1,652,992,207
Gains from disposals of listed shares	4,101,095,320	251,060,094
Interest income from deposits in banks and certificate of deposits	2,447,095,974	3,802,946,894
Dividend income	616,646,000	271,620,000
Realised foreign exchange gains	-	30,550,000
	10,558,692,403	6,009,169,195

25. Financial expenses

	Six-month period ended 30/6/2017 VND	Six-month period ended 30/6/2016 VND
Allowance/(reversal of allowance) for diminution in the value of short-term investments	70,375,853	(683,286,803)
Losses from disposals of listed shares	-	34,045,449
Brokerage charge	52,779,450	13,166,449
Bank charge	36,230,832	47,831,206
	159,386,135	(588,243,699)

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26. General and administration expenses

	Six-month period ended 30/6/2017 VND	Six-month period ended 30/6/2016 VND
Staff costs	13,706,757,420	11,762,041,877
Office expenses	4,398,337,740	3,706,476,643
Expenses for business trips and transportation	1,384,068,377	783,581,975
Entertainment expenses	960,267,189	627,002,583
Depreciation and amortisation	704,001,539	477,006,077
Professional expenses	394,064,868	244,509,789
Training and seminar expenses	118,184,100	217,574,721
Gift expenses	653,448,157	204,163,379
Advertising expenses	676,633,476	115,385,505
Information expenses	1,770,441,117	343,326,077
Others	799,669,247	735,527,578
	25,565,873,230	19,216,596,204

27. Other income

	Six-month period ended 30/6/2017 VND	Six-month period ended 30/6/2016 VND
Penalties collected from other entities	167,375,417	-
Gains from disposals of fixed assets	-	1,221,304,546
	167,375,417	1,221,304,546

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28. Corporate income tax

(a) Recognised in the statement of income

	Six-month period ended 30/6/2017 VND	Six-month period ended 30/6/2016 VND
Current tax expense		
Current period	-	-
Deferred income tax expenses/(benefit)		
Origination and reversal of temporary differences	634,782,213	520,696,958
Benefits of tax losses recognised	(482,861,867)	(571,978,617)
	151,920,346	(51,281,659)
Income tax expense/(benefit)	151,920,346	(51,281,659)

(b) Reconciliation of effective tax rate

	Six-month period ended 30/6/2017 VND	Six-month period ended 30/6/2016 VND
Profit before tax	557,459,876	70,655,224
Tax at the Company's tax rate	111,491,975	14,131,045
Non-deductible expenses	163,757,571	47,596,296
Tax exempt income (*)	(123,329,200)	(54,324,000)
Deferred tax asset not recognised	-	(58,685,000)
	151,920,346	(51,281,659)

(*) Tax exempt income is related to dividends received.

(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.

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29. Significant transactions with related parties

	Nature of transaction	Transaction value		Balance outstanding as at	
		Six-month period ended 30/6/2017 VND	Six-month period ended 30/6/2016 VND	30/6/2017 VND	31/12/2016 VND
Funds under management					
▪ VF1	Management fee	7,602,889,685	6,306,120,561	1,296,882,805	1,276,382,953
	Subscription fee	61,952,500	12,084,890	13,935,000	30,213,000
	Redemption fee	421,718,829	117,775,911	92,824,215	80,650,876
	Payment on behalf	-	3,074,500	3,074,500	3,074,500
	Sales of fund certificates	24,011,850,992	14,320,233,178	6,456,420,924	-
▪ VF4	Management fee	3,134,697,059	2,815,460,078	534,674,980	559,780,127
	Subscription fee	127,662,336	36,135,000	1,500,052	31,685,000
	Redemption fee	524,060,141	7,424,129	189,418,892	10,134,159
	Payment on behalf	-	2,557,500	2,557,500	2,557,500
	Sales of fund certificates	23,453,044,364	14,197,759,029	5,868,620,740	-
▪ VFA	Management fee	15,406,043	267,938,855	-	(205,359,419)
▪ VFB	Management fee	791,537,757	434,017,981	197,620,770	77,698,280
	Subscription fee	806,595,758	2,310,000	417,589,000	3,516,000
	Redemption fee	38,729,854	1,095,690	951,612	20,263
▪ ETF	Management fee	1,480,508,178	1,123,342,847	288,198,457	231,357,856

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Nature of transaction	Transaction value		Balance outstanding as at	
	Six-month period ended 30/6/2017 VND	Six-month period ended 30/6/2016 VND	30/6/2017 VND	31/12/2016 VND
Other related company				
Dragon Capital Markets Limited				
Consulting fee	-	-	-	7,000,000,000
Management fee	146,034,415	-	201,597,018	55,562,603
Payment on behalf	16,000,000	-	21,000,000	5,000,000

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30. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share for the six-month period ended 30 June 2017 was based on the profit attributable to ordinary shareholders after appropriation to bonus and welfare fund for the six-month period ended 30 June 2017 of VND405,539,530 (for the six-month period ended 30 June 2016: VND121,936,883) and the weighted average number of ordinary shares outstanding of 16,882,203 shares (for the six-month period ended 30 June 2016: 16,882,203 shares), calculated as follows:

(i) Net profit attributable to ordinary shareholders

	Six-month period ended 30/6/2017 VND	Six-month period ended 30/6/2016 VND
Net profit attributable to ordinary shareholders after appropriation to bonus and welfare fund	405,539,530	121,936,883

(ii) Weighted average number of ordinary shares

	Six-month period ended 30/6/2017 Number of shares	Six-month period ended 30/6/2016 Number of Shares
Weighted average number of ordinary shares for the period	16,882,203	16,882,203

(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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31. 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 investment 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:

	Note	30/6/2017 VND	31/12/2016 VND
Cash in banks and cash equivalents	(ii)	7,266,238,085	10,553,955,555
Held-to-maturity investments – short-term	(iii)	-	25,000,000,000
Held-to-maturity investments – long-term	(iii)	25,000,000,000	25,000,000,000
Accounts receivable from customers	(iv)	37,871,114,989	-
Receivables from management activities	(iv)	3,956,504,398	10,231,637,080
Other receivables	(iv)	1,977,673,667	2,092,788,944
		76,071,531,139	72,878,381,579

(ii) Cash in banks and cash equivalents

Cash in banks and cash equivalents 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) Held-to-maturity investments

Held-to-maturity investments – short-term and long term of the Company include certificate of deposits issued by well-known financial institution. The Board of Directors does not foresee any significant credit risks from these certificate of deposits and does not expect that these financial institutions may default and cause losses to the Company.

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(iv) *Accounts receivable from customers, receivables from management activities and other receivables*

Accounts receivable from customers, receivables from management activities and other receivables mainly include receivables from disposals of securities, receivables from fund management, and interest receivables from term deposits and certificate of deposits. Credit risk in relation to receivables from fund management is considered minimal as these are receivables from funds under management of the Company. Receivables from disposals of securities represent sale transactions awaiting settlement. Credit risk in relation to unsettled transactions is considered minimal due to short settlement period involved. The Board of Directors believes that those receivables are of high credit quality.

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, accounts receivable from customers, receivables from management activities and other receivables.

No receivables as of 30 June 2017 and 31 December 2016 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 30 June 2017

	Carrying amount VND	Contractual cash flows VND	Within 1 year VND	1 – 5 years VND	More than 5 years VND
Accounts payable to suppliers	555,078,267	555,078,267	555,078,267	-	-
Accrued expenses	4,755,396,668	4,755,396,668	4,755,396,668	-	-
Other payables	1,594,749,537	1,594,749,537	1,594,749,537	-	-
	6,905,224,472	6,905,224,472	6,905,224,472	-	-

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As at 31 December 2016

	Carrying amount VND	Contractual cash flows VND	Within 1 year VND	1 – 5 years VND	More than 5 years VND
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	-	-
	9,117,704,846	9,117,704,846	9,117,704,846	-	-

(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:

	Carrying amount	
	30/6/2017 VND	31/12/2016 VND
Fixed rate instruments		
Cash in banks	2,266,238,085	1,553,955,555
Cash equivalents	5,000,000,000	9,000,000,000
Held-to-maturity investments – short-term	-	25,000,000,000
Held-to-maturity investments – long-term	25,000,000,000	25,000,000,000

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.

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(ii) Currency risk

Currency 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 foreign currency rate.

As at 30 June 2017 and 31 December 2016, the Company is not significantly exposed to currency risk as the Company's assets and liabilities are mainly denominated in Vietnam Dong which is the Company's functional currency.

(iii) Market risk

Market risk is the risk that the value of financial instruments decrease as a result of the fluctuation in share price and securities market value.

The Company invests in the fund certificates and shares listed on 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 30 June 2017, the market value of the listed securities held by the Company was VND42,133,730,000 (31/12/2016: VND28,476,000,000). If the market price of these securities increase or decrease by 10% as at 30 June 2017 (31/12/2016: 10%) with all other variable remaining constant, profit after tax of the Company would decrease by VND285,600,000 (31/12/2016: VND 2,278,080,000).

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(d) Fair value of financial assets and liabilities

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.

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

	30/6/2017		31/12/2016	
	Carrying amount VND	Fair value VND	Carrying amount VND	Fair value VND
Financial assets				
<i>Categorised as held-to-maturity investments:</i>				
▪ Certificate of deposits	25,000,000,000	25,000,000,000	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	94,206,475,596	105,543,309,776	97,414,574,403	97,414,574,403
<i>Categorised as loans and receivables:</i>				
▪ Cash and cash equivalents	7,324,016,684	7,324,016,684	10,893,696,113	10,893,696,113
▪ Accounts receivable from customers	37,871,114,989	37,871,114,989	-	-
▪ Receivables from management activities	3,956,504,398	3,956,504,398	10,231,637,080	10,231,637,080
▪ Other receivables	1,977,673,667	1,977,673,667	2,092,788,944	2,092,788,944
Financial liabilities				
<i>Categorised as liabilities carried at amortised cost:</i>				
▪ Accounts payable to suppliers	(555,078,267)	(555,078,267)	(491,388,812)	(491,388,812)
▪ Accrued expenses	(4,755,396,668)	(4,755,396,668)	(6,919,288,070)	(6,919,288,070)
▪ Other payables	(1,594,749,537)	(1,594,749,537)	(1,707,027,964)	(1,707,027,964)

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Basis for determining fair values

Held-for-trading securities

For listed securities on the Stock Exchanges and securities registered for trading (shares registered for trading on Upcom), fair value is the closing price at the latest trading date prior to the end of the accounting period.

For unlisted securities and securities not yet registered for trading, fair value is average quoted prices from at least three securities companies having trading transaction at the latest trading date prior to the end of the accounting period but not exceed one month prior to the the end of the accounting period.

Other financial instruments

Fair values of the Company's financial assets and liabilities approximate their carrying values as at 30 June 2017 and 31 December 2016 due to the short maturities of these financial instruments.

32. Seasonality or cyclical factors

The Company's result of operations is not affected by seasonality or cyclical factors except for the followings:

(a) Employees' bonus

The Company accrued for employees' bonus for the interim period based on the financial budget of 2017 and the bonus will be finalised at the end of the annual accounting period.

(b) Corporate income tax

In accordance with the prevailing tax regulations, corporate income tax is computed and finalised at the end of the annual accounting period. The corporate income tax for the six-month period ended 30 June 2017 is temporarily calculated at 20% of the Company's net profit before tax for the six-month period ended 30 June 2017.

33. Changes in accounting estimates

In preparing these interim financial statements, Board of Directors has made several accounting estimates. Actual results may differ from these estimates. There is no significant changes in accounting estimates compared to those made in the most recent annual financial statements or those made in the same interim period of the prior year.

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34. Unusual items

There was no any unusual items which affect the Company's interim financial statements for the six-month period ended 30 June 2017.

35. Changes in the Company's composition

There were no any changes in the Company's composition since the end of the last annual accounting period which affect the Company's interim financial statements for the six-month period ended 30 June 2017.

11 August 2017

Prepared by:



Mr. Nguyen Huu Tuan
General Accountant

Approved by:



Mr. Pham Thanh Dung
Chief Accountant



Mr. Tran Thanh Tan
Chief Executive Officer