

Vietnam Bond Fund

Interim financial statements

30 June 2017



Vietnam Investment Fund Management Joint Stock Company

Vietnam Bond Fund

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Vietnam Investment Fund Management Joint Stock Company

Vietnam Bond Fund

GENERAL INFORMATION

THE FUND

Vietnam Bond Fund ("the Fund") was established as an open-ended securities investment fund in Vietnam in accordance with Initial Public Offering Certificate No. 04/GCN-UBCK dated 27 February 2013; Registration certificate for open ended fund No. 04/GCN-UBCK issued by the State Securities Commission ("SSC") on 10 June 2013 and Decision No. 398/QD-UBCK issued by SSC dated 7 May 2015 on the amendment of the certificate registration of the public investment fund. As such, the Fund was licensed to operate for an indefinite period.

Total number of initial distributed fund units was 9,957,482.26 amounting to VND99,574,822,600 at par value of VND10,000 per fund unit. As at 31 December 2016, the capital of the Fund at par value contributed by investors was VND73,944,472,900. During the six-month period ended 30 June 2017 the Fund issued additional 16,842,134.08 fund units, amounting to VND241,460,555,064 and redeemed 2,606,985.24 fund units, amounting to VND37,233,934,777. The capital of the Fund at par value contributed by investors as at 30 June 2017 amounting to VND216,295,961,300.

The Fund has no employee and is managed by Vietnam Investment Fund Management Joint Stock Company ("the Fund Management Company") which was established in accordance with License No. 45/UBCK-GP issued by the SSC on 8 January 2009.

The Fund is located at Unit 1701-04, 17th Floor, Melinh Point Tower, 2 Ngo Duc Ke Street, District 1, Ho Chi Minh City, Vietnam.

Net asset value (NAV) valuation period:

- ▶ Weekly basis: NAV is weekly valued every Friday. In case the valuation date falls in a weekend or holiday, the valuation shall be carried on the next working day right after.
- ▶ Monthly basis: NAV is monthly valued on the first day of the next month regardless of the valuation date falls in a weekend or holiday.

Frequency of fund unit trading is arranged every Friday.

The main objective of the Fund is to earn profit from debt securities (including but not limited to Vietnamese Government bonds, Government guaranteed bonds, municipal bonds, corporate bonds of issuers operating under Vietnamese law, etc.), valuable papers and money market instruments. In addition, the Fund's investment objective may be entirely adjusted subject to the General Meeting of Investors' Resolution in compliance with the current regulations, which is reported to the State Securities Commission.

The Fund's strategy is active management based on fundamental analysis of macro-economic conditions, as well as quantitative models, statistic or corporate analysis in making investment decisions which optimizes profit for the portfolio. The analysis of corporate bonds is based on at least a credit rating model developed by a technical supporter and the Fund Management Company.

Vietnam Investment Fund Management Joint Stock Company

Vietnam Bond Fund

GENERAL INFORMATION (continued)

CUSTODIAN AND SUPERVISORY BANK

The Fund was approved by the SSC that its Custodian and Supervisory Bank is Standard Chartered Bank (Vietnam) Limited ("Standard Chartered Bank"), under amended Decision of Certificate Registration No. 398/QD-SSC dated 7 May 2015.

The Custodian and Supervisory Bank were appointed by the General Meeting of Investors. Functions of the Custodian and Supervisory Bank include safe keeping, depository of securities, certificates of legitimate ownership of the Fund; business contracts, other documents related to assets of the Fund and supervisory activities of the Fund's assets management by the Fund Management Company. Rights and obligations of the Depository and Supervisory Bank are stipulated in the Fund Charter.

FUND MANAGEMENT COMPANY

Vietnam Investment Fund Management Joint Stock Company is the authorised representative of the Fund, on behalf of the Fund to execute the ownership towards the assets of the Fund in an honest and careful manner. The Fund Management Company complies with the provisions of law and the Charter of the Fund Management Company and manages the Fund's assets as stipulated in Fund Charter in compliance with the code of professional ethics, voluntariness, fairness, honesty and for the best interests of the Fund.

BOARD OF REPRESENTATIVES

The members of the Board of Representatives during the period and at the date of the interim financial statements are:

<i>Name</i>	<i>Position</i>	<i>Date of appointment/reappointment</i>
Ms Nguyen Boi Hong Le	Chairwoman	Reappointed on 5 April 2016
Ms Le Thi Thu Huong	Member	Reappointed on 5 April 2016
Ms Pham Thi Thanh Thuy	Member	Appointed on 5 April 2016

LEGAL REPRESENTATIVE

The legal representative of the Fund Management Company during the period and at the date of the interim financial statements is Mr. Tran Thanh Tan - Chief Executive Officer - Vietnam Investment Fund Management Joint Stock Company - Fund Management Company.

AUDITORS

The auditors of the Fund are Ernst & Young Vietnam Limited.

Vietnam Investment Fund Management Joint Stock Company

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REPORT OF THE BOARD OF REPRESENTATIVES

The Board of Representatives of Vietnam Bond Fund ("the Fund") presents its report and the interim financial statements of the Fund for the six-month period ended 30 June 2017.

THE RESPONSIBILITY OF THE FUND MANAGEMENT COMPANY'S BOARD OF MANAGEMENT FOR THE INTERIM FINANCIAL STATEMENTS

The Board of Management of Vietnam Investment Fund Management Joint Stock Company ("the Fund Management Company") is responsible for preparation and presentation of the interim financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, Vietnamese Accounting System applicable to open-ended funds and statutory requirements relevant to preparation and presentation of the interim financial statements which give a true and fair view of the financial position of the Fund as at 30 June 2017 and of the interim results of its operations, interim changes in its net assets, transactions of fund units and its interim cash flows for the six-month period then ended. In preparing those interim financial statements, the Fund Management Company's Board of Management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgments and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards applicable to the Fund have been followed, subject to any material departures disclosed and explained in the interim financial statements; and
- ▶ prepare the interim financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continued in business.

The Board of Management of the Fund Management Company is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Fund and to ensure that the accounting records comply with the applied accounting system. The Board of Management is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management of the Fund Management Company confirmed that it has complied with the above requirements in preparing the interim financial statements for the six-month period ended 30 June 2017.

APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The Board of Representatives hereby approved the accompanying interim financial statements which give a true and fair view of the financial position of the Fund as at 30 June 2017 and of the interim results of its operations, interim changes in its net assets, transactions of Fund units and its interim cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, Vietnamese Accounting System applicable to open-ended funds and statutory requirements relevant to preparation and presentation of the interim financial statements.

On behalf of the Board of Representatives:



Ms Nguyen Boi Hong Le
Chairwoman

Ho Chi Minh City, Vietnam

10 August 2017

Vietnam Investment Fund Management Joint Stock Company

Vietnam Bond Fund

REPORT OF FUND MANAGEMENT COMPANY

I. GENERAL INFORMATION

1. Objectives:

Consistent with the Registration certificate for open ended fund issued by the SSC, the Statute and the Prospectus of the Fund.

2. Operation effectiveness:

According to the Fund's financial statements have been reviewed or audited, as of the reporting period, changes in net assets value (NAV) of the Fund is 221.27 (%) compared with the NAV of the Fund previous period. The Fund does not have the investment growth value and reference index.

3. Policies and investment strategies:

Fund's strategy is active management based on fundamental analysis of macro conditions, as well as quantitative models, statistic or corporate analysis in making decision. The objective is optimizing profit for the portfolio. On corporate bonds, the analysis shall base on at least one of credit rating models that are developed by VFM and fund's consultant.

4. Classification: Public open ended fund

5. Recommendation of investment term: None

6. Current risk profile (low, medium, high): Low

7. Starting date: 10 June 2013

8. Operation scale at the reporting date (as at 30 June 2017)

Net assets value: VND320,588,862,096

Number of units: 21,629,596.13 units

9. Reference index: None

10. Dividend policy: Possible annual dividend distribution

11. Profit per Fund unit: None

Vietnam Investment Fund Management Joint Stock Company
Vietnam Bond Fund

REPORT OF FUND MANAGEMENT COMPANY (continued)

II. PERFORMANCE INFORMATION

1. Assets portfolio

<i>Asset portfolio</i>	<i>30/06/2017</i> (%)	<i>30/06/2016</i> (%)	<i>30/06/2015</i> (%)
Investment securities	49.57	66.80	56.00
Other assets	50.43	33.20	44.00
Total	100.00	100.00	100.00

2. Key performance indicators

<i>Indicators</i>	<i>30/06/2017</i>	<i>30/06/2016</i>	<i>30/06/2015</i>
NAV for the period	320,588,862,096	99,789,098,733	94,486,493,167
Total number of Fund units	21,629,596.13	7,628,449.70	7,747,370.72
NAV per fund unit (units)	14,821.76	13,081.17	12,195.94
Maximum NAV per fund unit in the period	14,821.76	13,104.31	12,205.18
Minimum NAV per fund unit in the period	13,103.95	12,622.81	10,799.08
Closing price per fund unit at the reporting date	N/A	N/A	N/A
Maximum closing price per fund unit at the reporting date	N/A	N/A	N/A
Minimum closing price per fund unit at the reporting date	N/A	N/A	N/A
Growth rate (%)/fund unit	320.40%	7.24%	11.84%
Capital growth rate (%)/fund unit (movement of market price)	338.51%	0.86%	-2.35%
Net profit growth rate (%)/fund unit (distributed profit)	-18.11%	6.38%	14.19%
Gross distribution per fund unit	Không có	None	None
Net distribution per fund unit	Không có	None	None
Ex-right date	Không có	None	None
Operating expenses proportion (%)	1.40%	1.80%	1.91%
Investment turnover ratio (times)	2.50	3.68	3.45

Vietnam Investment Fund Management Joint Stock Company

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REPORT OF FUND MANAGEMENT COMPANY (continued)

II. PERFORMANCE INFORMATION (continued)

3. Growth rate over periods

<i>Period</i>	<i>Total increase in NAV/fund unit</i>	<i>Annual growth rate of NAV/fund unit</i>
- 1 year	13.21%	7.26%
- 3 year	37.10%	11.09%
- From establishment	48.21%	10.18%
- Growth rate of reference indicators	None	None

4. Annual growth rate

<i>Year</i>	<i>30/06/2017 (%)</i>	<i>30/06/2016 (%)</i>	<i>30/06/2015 (%)</i>
Growth rate (%) / 01 fund unit	13.31	7.30	12.80

Note: The figures to calculate annual growth rate need to reflect upon the moment of time and comparability. For example, at the time of 30/6, the figures expressing in the tables ensure at 30/6 each year.

III. MARKET ASSESSMENT DURING THE PERIOD

1. Primary market

Total 16 auction sessions were held by Ha Noi Stock Exchange in June 2017 and raised VND22,348 billion Government bond, increased 2.44% compared to May. The winning ratio reached 90.11%, the highest one since Nov 2016. Regarding to maturity, 5-year and 7-year bonds accounted for 23.5% and 19.2% respectively, whereas 10-year and 20-year had lowest portion, 13.1% and 10.8%. That is worth mentioning that 15-year VGB is the only one has issued successfully 100% its calling amount.

The winning yield decreased significantly at all tenors. 5-year, 7-year, 10-year, 15-year, 20-year and 30-year VGB has dropped respectively 15bps, 14bps, 26bps, 34bps, 33bps and 45bps. 5-year bond yield got back to the lowest one in 3 years and remained at 4.9%/year in the 3 most recent consecutive sessions. The yield 4.9%/year for 5-year VGB is seemed to be reasonable and strong restriction level for investors because it is nearly approaching funding cost of banks and become less attractive compared to longer-tenor bond.

Since beginning of 2017, State Treasury has raised VND 125,746 billion, archived 68.6% of entire year plan. Although borrowed amount in the first half of 2017 is considerably lower than that in the first half of 2016 (VND 187,726 billion), issued tenor slightly shift from short-term bonds to higher tenor one. 10-year, 20-year and 30-year VGB had successfully accomplished 229%, 152%, and 165% of the year plan. Thus, MOF easily accomplished long-term goal that enhanced average terms of VGB portfolio from 5.98 years in 2016 to 6.75 years in 2017 and lowered average interest rate from 6.49% to 6.29%.

In June, the HNX did not hold Government guaranteed bonds due to out of the limit for the first half of 2017. In 6 months, Government bonds have been issued quite successfully. The Bank for Social Policies has mobilized VND 6,220 billion, reaching 67.24% of the plan and the Vietnam Development Bank has raised VND 11,400 billion, accounting for 32% of the yearly plan. It is expected that the Vietnam Development Bank will be re-issued in the fourth quarter when bonds mature much.

Vietnam Investment Fund Management Joint Stock Company

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REPORT OF FUND MANAGEMENT COMPANY (continued)

III. MARKET ASSESSMENT DURING THE PERIOD (continued)

2. Secondary market

The secondary market warm again. Total outright trading value in June reached VND 103,741 billion which is 27.40% higher than that in May 2017. Average daily transaction value got VND 4,940 billion, increased 39.54% compared to previous month. Volume in June has reached the highest point since beginning of 2017. The transaction concentrated on 5-year and below tenors accounting for 70.71% total trading volume. In that, 3-year and lower 3-year tenor and from 3 years to 5 years got 34.73% and 35.97% respectively. The foreigner has bought VND 982 billion in June, VND 13,318 billion, the highest since 2010.

Macroeconomic has become more and more stable as well as liquidity of banking system has also been enhanced thanks to huge amount of deposits of State Treasury at some commercial banks, which helps investors confidentially and strongly investing in the secondary VGB market. Government bond yield had dropped quickly and remarkably. Yield volatility per day climbed to 15bps, especially long-term bond, and leded liquidity in secondary market dry up. Trading cost for longer term bonds were higher due to information cost and higher spreads. The yield is estimated to decrease further in 10-year and above tenors while 7-year and lower investors have to wait for more signals from interbank interest rate as well as credit growth in coming time.

IV. DETAIL OF KEY PERFORMANCE INDICATORS

1. Detail of key performance indicators

<i>Indicators</i>	<i>1 year to the reporting date (%)</i>	<i>The nearest 3 years to the reporting date (%)</i>	<i>From establishment to the reporting date (%)</i>
A	1	2	3
Net profit growth/fund unit	-18.11	-18.25	NA
Capital growth/fund unit	338.51	95.74	NA
Total growth value/fund unit	320.40	77.48	NA
Annual growth rate (%) / fund unit	13.31	37.25	48.22
Total investment growth value	None	None	None
Market value change per fund unit	None	None	None

- ▶ Capital, Total growth value, Annual growth rate: Based on the average net asset value (NAV) per fund unit;
- ▶ Reference index: Based on the published price at the newest moment.
- ▶ The index and information presented must be based on the reviewed or audited financial statements. Otherwise, there must be a clear disclosure of such information.
- ▶ Monthly growth rate chart of the Fund during the newest 3 years.
- ▶ Change in NAV.

Vietnam Investment Fund Management Joint Stock Company

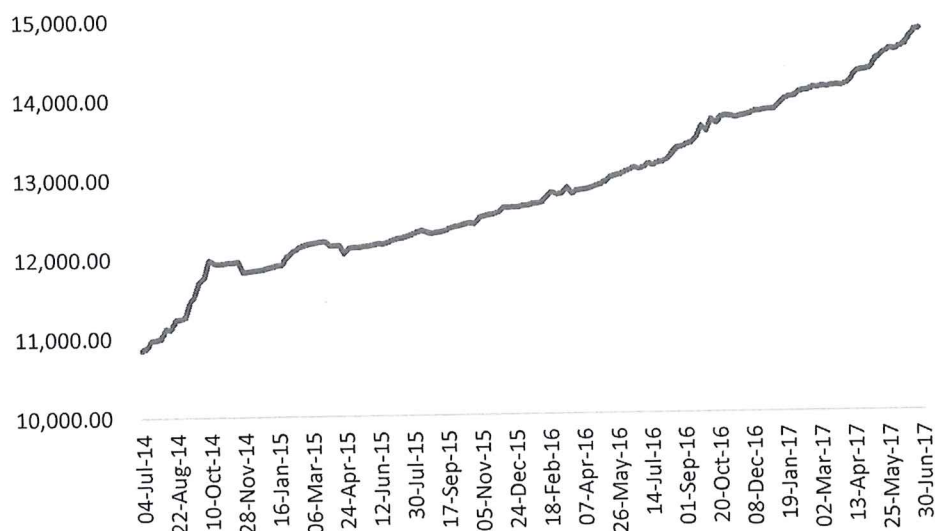
Vietnam Bond Fund

REPORT OF FUND MANAGEMENT COMPANY (continued)

IV. DETAIL OF KEY PERFORMANCE INDICATORS (continued)

1. Detail of key performance indicators (continued)

Changes in VFB's NAV per share in recent 3 years



Indicators	30/06/2017	30/06/2016	Variance
A	(1)	(2)	(3)=((1)-(2))/(2)
Net asset value (NAV) of the Fund	320,588,862,096	99,789,098,733	221.27%
Net asset value (NAV) per fund unit	14,821.76	13,081.17	13.31%

Within the period from 30 June 2016 to 30 June 2017, Net asset value (NAV) of VFMVFB per share unit increased by 13.31% as a result of gain from increasing holding assets price and income on investments. Total net asset value (NAV) increased by 221.27%, higher than growth of NAV per share due to the new subscriptions of investors, which make the fund's asset growth in comparison with the beginning of the period.

Vietnam Investment Fund Management Joint Stock Company
Vietnam Bond Fund

REPORT OF FUND MANAGEMENT COMPANY (continued)

IV. DETAIL OF KEY PERFORMANCE INDICATORS (continued)

2. Statistic information of investors and their number of fund units held at the reporting date (the newest date):

<i>Criteria (units)</i>	<i>Number of investors</i>	<i>Number of fund units held</i>	<i>Holding percentage (%)</i>
A	1	2	3
Under 5000	52	64,354.33	0.30
From 5000 to 10,000	10	68,982.06	0.32
From 10,000 to 50,000	18	378,541.07	1.74
From 50,000 to 500,000	24	3,786,401.72	17.51
Over 500,000	5	17,331,316.95	80.13
Total	109	21,629,596.13	100.00

Notes: Presenting fund units hold by investors from the least to the most.

3. Implicit expenses and discounting: None

V. PROSPECT OF MARKET

Quarter III of 2017 is forecasted to continue to be a quarter with macroeconomic stability. There are no strong fluctuations on interest rates and inflation which are two objectives closely monitored by the State Bank of Vietnam (SBV) through monetary policies. The State Bank of Vietnam will continue to apply the monetary policies as applied in the first six months of the year and there will be policies on interest rates and credit to support economic growth.

Bond yield movements are on the downward trend with maturities as interbank liquidity continue to be plentiful and demand for government bonds continues to rise from commercial banks and insurance companies.

Vietnam Investment Fund Management Joint Stock Company

Vietnam Bond Fund

REPORT OF FUND MANAGEMENT COMPANY (continued)

VI. OTHER INFORMATION

Funds operating personnel, the Board of Representative, and the Board of Management of Fund Management Company information as follows:

	<i>Name</i>	<i>Position</i>	<i>Qualifications</i>	<i>Working Process</i>
Funds operating personnel	Luong Thi My Hanh	Deputy General Director - Investment Research Division	Master of Economic	- From 2010 to present: Deputy General Director - Investment Research Division of Vietnam Investment Fund Management Joint Stock Company.
	Tran Le Minh	Deputy General Director - Director of Hanoi Branch	Master of Financial management	- From 2011 to present: Deputy General Director - Director of the Hanoi branch - Vietnam Investment Fund Management Joint Stock Company.
Board of Representative	Nguyen Boi Hong Le	Chairwoman	Master of Business Administration	- From 2010 to 2012: Head of Securities Trading Securities Department of Petroleum Joint Stock Company - From 2012 to present: Economics and Management Petroleum Specialist of Vietnam Petroleum Institute
	Le Thi Thu Huong	Member	BA in Accounting - Auditing	- From 2011 to 2012: Deputy Director of AS audit Ltd - From 2012 to now: Deputy General Director of Trust audit Ltd
	Pham Thi Thanh Thuy	Member	Lawyer	- From 2010 to present: Head of the Legal Compliance Department of Vietnam Investment Fund Management Joint Stock Company.

Vietnam Investment Fund Management Joint Stock Company
Vietnam Bond Fund

REPORT OF FUND MANAGEMENT COMPANY (continued)

VI. OTHER INFORMATION (continued)

	Name	Position	Qualifications	Working Process
Board of management of Fund Management Company	Tran Thanh Tan	Chief Executive Officer	Master of Business Administration	- From 2003 - present: Chief Executive Officer of Vietnam Investment Fund Management Joint Stock Company.
	Luong Thi My Hanh	Deputy General Director - Investment Research Division	Master of Economic	- From 2010 to present: Deputy General Director – Investment Research Division of Vietnam Investment Fund Management Joint Stock Company.
	Nguyen Minh Dang Khanh	Deputy General Director - CFO	Master of Finance - Economic	- From 2011 to present: Deputy General Director and CFO of Vietnam Investment Fund Management Joint Stock Company.
	Tran Le Minh	Deputy General Director - Director of Hanoi Branch	Master of Financial Management	- From 2011 to present: Deputy General Director - Director of the Hanoi branch - Vietnam Investment Fund Management Joint Stock Company.
	Tran Van Hieu	Deputy General Director - Raising capital Division	Master of Business Administration	- From 2010 to 2012: Management Director of Pana Harrison Asia Limited Vietnam insurance broker Company - From 2012 to 2014: Project Director of Generali Vietnam Company - From 2014 to 2015: Director of Mobilizing of Vietnam Investment Fund Management Joint Stock Company. - From 2016 to present: Deputy General Director of Vietnam Investment Fund Management Joint Stock Company.



Mr. Tran Thanh Tan
Chief Executive Officer

Ho Chi Minh City, Vietnam

10 August 2017

SUPERVISORY BANK'S REPORT

We, appointed as the Supervisory Bank of the Vietnam Bond Fund ("the Fund") for the financial period from 01st January, 2017 to 30th June, 2017, recognize that the Fund operated and was managed in the following matters:

- a) During our supervision of the Fund's investments and asset transactions in the first six months of 2017, the Fund's investment portfolio complied with investment restrictions under the prevailing regulations for open-ended funds, Fund Prospectus, and other relevant regulations.
- b) Assets Valuation and Pricing of the Fund units were carried out in accordance with Fund Charter, Fund Prospectus, and other prevailing regulations.
- c) Fund subscriptions and redemptions were carried out in accordance with Fund Charter, Fund Prospectus, and other prevailing regulations.
- d) In the first six months of 2017, the Fund did not pay dividend to Fund Unit Holders.

Hanoi, 10th August 2017

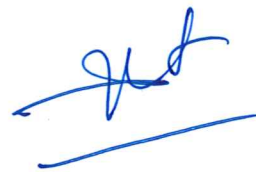
SUPERVISORY BANK REPRESENTATIVE



Le Sy Hoang

Head of Securities Services Operations

SUPERVISORY BANK OFFICER



Vu Huong Giang

Supervisory Bank Manager

**Standard Chartered Bank (Vietnam) Limited
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Reference: 61070172/19430313-SX

AUDITORS' REPORT ON REVIEW OF INTERIM FINANCIAL REPORT

To: **The investors of Vietnam Bond Fund**

We have reviewed the accompanying interim financial statements of Vietnam Bond Fund ("the Fund") as prepared on 10 August 2017 as set out on pages 15 to 57, which comprise the interim statement of financial position, the interim statement of investment portfolio as at 30 June 2017, the interim income statement, the interim statement of changes in net asset value, trading of fund units and the interim cash flow statement for the period then ended and the notes thereto.

The responsibility of the Board of Management of the Fund Management Company

The Board of Management of Vietnam Investment Fund Management Joint Stock Company as the Fund Management Company is responsible for the preparation and fair presentation of these interim financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, Vietnamese Accounting System applicable to open-ended funds and statutory requirements relevant to preparation and presentation of the interim financial statements, and for such internal control as the Board of Management determines is necessary to enable the preparation and presentation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express a conclusion on the interim financial information based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 - Review of Interim Financial Information performed by the Independent Auditor of the Company.

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view, in all material respects, of the interim financial position of the Fund as at 30 June 2017, and of the interim results of its operations, the interim changes in its net asset value, trading of fund units and its interim cash flows for the six-month period then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, Vietnamese Accounting System applicable to open-ended funds and statutory requirements relevant to preparation and presentation of the interim financial statements.



Ernst & Young Vietnam Limited

Samán Bandara
Deputy General Director
Audit Practicing Registration
Certificate No. 2036-2013-004-1

Ho Chi Minh City, Vietnam

10 August 2017

Vietnam Investment Fund Management Joint Stock Company
Vietnam Bond Fund

INTERIM INCOME STATEMENT
for the six-month period then ended 30 June 2017

B01g-QM

Code	ITEMS	Notes	For the six-month period ended 30 June 2017 VND	For the six-month period ended 30 June 2016 VND
01	I. Income from investing activities		15,485,524,596	4,530,293,359
03	1. Interest income	11	6,705,832,815	3,882,121,340
04	2. Gain from securities trading	12	1,360,445,206	51,459,690
05	3. Unrealized gain on revaluation of securities investments	13	7,419,246,575	596,712,329
10	II. Expenses from investing activities	14	66,035,625	148,873,377
11	1. Transaction costs for securities trading		66,035,625	79,407,475
13	2. Interest expense		-	69,465,902
20	III. Operating expenses		1,241,918,492	874,006,779
20.1	1. Fund management fee	21.1	791,537,757	434,017,981
20.2	2. Depository fee		91,843,333	91,406,666
20.3	3. Supervising fee	21.2	99,000,000	99,000,000
20.4	4. Fund administration fee	21.2	66,000,000	66,000,000
20.5	5. Transfer agent fee	21.2	39,600,000	51,218,877
20.7	6. Meeting expenses		3,000,129	3,610,153
20.8	7. Audit fee		48,547,666	40,477,602
20.10	8. Other operating expenses	15	102,389,607	88,275,500
23	IV. Net income from investing activities		14,177,570,479	3,507,413,203
24	V. Net other income and other expenses		-	-
30	VI. Profit before tax		14,177,570,479	3,507,413,203
31	1. Realized profit	10	6,758,323,904	2,910,700,874
32	2. Unrealized gain	10	7,419,246,575	596,712,329
40	VII. Corporate income tax expense		-	-
41	VIII. Profit after tax		14,177,570,479	3,507,413,203


Ms Vuong Thi Tram Anh
Accountant


Mr Nguyen Minh Dang Khanh
Deputy General Director
cum Chief Financial Officer


Mr Tran Thanh Tan
Chief Executive Officer

Ho Chi Minh City, Vietnam

10 August 2017

Vietnam Investment Fund Management Joint Stock Company
Vietnam Bond Fund

INTERIM BALANCE SHEET
as at 30 June 2017

B02g-QM

Code	ITEMS	Notes	30 June 2017 VND	31 December 2016 VND
100	A. ASSETS			
110	I. Cash at bank and cash equivalents	4	55,337,921,082	75,523,833,444
111	1. Cash at bank for the open-ended Fund operations		25,837,921,082	823,833,444
112	2. Deposits with terms less than three (3) months		29,500,000,000	74,700,000,000
120	II. Investments		262,848,569,563	26,000,000,000
121	1. Investments	5	262,848,569,563	26,000,000,000
130	III. Receivables	6	5,982,951,330	971,947,221
133	1. Receivables and accrued dividends, interest receivable from investments		5,982,951,330	971,947,221
136	1.1. Accrued dividends and interest not yet entitled to receive		5,982,951,330	971,947,221
100	TOTAL ASSETS		324,169,441,975	102,495,780,665
300	B. LIABILITIES			
313	1. Payables to transfer agent fee		418,520,349	3,516,000
314	2. Tax and payables to the State		113,916	614,955
316	3. Accrued expenses	7	136,102,530	106,179,300
317	4. Payables to investors related to purchasing of fund units		2,590,050,000	-
318	5. Payables to investors related to repurchasing of fund units		102,772,217	-
319	6. Fund management fee payables	8	306,220,770	186,198,280
320	7. Other payables		26,800,097	14,600,800
300	TOTAL LIABILITIES		3,580,579,879	311,109,335
400	C. NET ASSET VALUE ATTRIBUTABLE TO HOLDERS OF FUND UNITS (C=A-B)		320,588,862,096	102,184,671,330
411	1. Share capital	9	216,295,961,300	73,944,472,900
412	1.1 Capital issued		320,854,330,500	152,432,989,700
413	1.2 Capital redeemed		(104,558,369,200)	(78,488,516,800)
414	2. Share premium	9	62,108,753,674	233,621,787
420	3. Retained earnings	10	42,184,147,122	28,006,576,643
430	D. NET ASSET VALUE PER FUND UNIT	9	14,821.76	13,819.10

Vietnam Investment Fund Management Joint Stock Company
 Vietnam Bond Fund

INTERIM BALANCE SHEET (continued)
 as at 30 June 2017


B02g-QM

OFF BALANCE SHEET ITEMS

Code	ITEMS	Notes	30 June 2017	31 December 2016
004	1. Number of outstanding fund units	9, 17	21,629,596.13	7,394,447.29



Ms Vuong Thi Tram Anh
 Accountant



Mr Nguyen Minh Dang Khanh
 Deputy General Director
 cum Chief Financial Officer



Mr Tran Thanh Tan
 Chief Executive Officer

Ho Chi Minh City, Vietnam

10 August 2017

Vietnam Investment Fund Management Joint Stock Company
Vietnam Bond Fund

INTERIM STATEMENT OF CHANGES IN NET ASSETS,
TRANSACTIONS OF FUND UNITS
for the six-month period then ended 30 June 2017

B03g-QM

Code	ITEMS	For the six-month period ended 30 June 2017 VND	For the six-month period ended 30 June 2016 VND
I	The Fund's NAV, beginning balance	102,184,671,330	95,325,926,014
II	Changes in NAV during the period	14,177,570,479	3,507,413,203
	<i>In which:</i>		
1	- <i>Changes in NAV arising from market fluctuation and the Fund's investment activities during the period</i>	14,177,570,479	3,507,413,203
III	Changes in NAV due to repurchases and new issues of fund units	204,226,620,287	955,759,516
	<i>In which:</i>		
1	- <i>Proceeds from additional subscription of fund units</i>	241,460,555,064	3,494,765,379
2	- <i>Payment for redemption of fund units</i>	(37,233,934,777)	(2,539,005,863)
IV	The Fund's NAV, ending balance	320,588,862,096	99,789,098,733



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Accountant



Mr Nguyen Minh Dang Khanh
Deputy General Director
cum Chief Financial Officer




Mr Tran Thanh Tan
Chief Executive Officer

Ho Chi Minh City, Vietnam

10 August 2017


Vietnam Investment Fund Management Joint Stock Company
Vietnam Bond Fund

INTERIM STATEMENT OF INVESTMENT PORTFOLIO
as at 30 June 2017

B04g-QM

No.	Items	Quantity	Market price as at 30 June 2017 VND	Total value VND	Percentages of the Fund's total assets as at 30 June 2017 (%)
I	Listed bonds	1,500,000	160,680,500,000	160,680,500,000	49.57%
1	TD1747410	500,000	54,217,000,000	54,217,000,000	
2	TD1737407	500,000	53,313,500,000	53,313,500,000	
3	TD1747411	500,000	53,150,000,000	53,150,000,000	
II	Certificates of deposits	102	102,168,069,563	102,168,069,563	31.52%
1	Issued by Home Credit Vietnam Co., Ltd.	40	40,168,069,563	40,168,069,563	
2	Issued by VP Bank Finance Co., Ltd	36	36,000,000,000	36,000,000,000	
3	Issued by HD Saison Finance Co., Ltd	26	26,000,000,000	26,000,000,000	
III	Other assets		5,982,951,330	5,982,951,330	1.84%
1	Coupon receivables		3,008,904,109	3,008,904,109	
2	Interest receivables from certificates of deposits		2,910,749,999	2,910,749,999	
3	Interest receivables from term deposits		63,297,222	63,297,222	
IV	Cash and cash equivalents		55,337,921,082	55,337,921,082	17.07%
1	Deposits with terms under three months		29,500,000,000	29,500,000,000	
2	Cash at bank		25,837,921,082	25,837,921,082	
V	Total investment portfolio		324,169,441,975	324,169,441,975	100.00%


Ms Vuong Thi Tram Anh
Accountant


Mr Nguyen Minh Dang Khanh
Deputy General Director
cum Chief Financial Officer


Mr Tran Thanh Tan
Chief Executive Officer

Ho Chi Minh City, Vietnam

10 August 2017

Vietnam Investment Fund Management Joint Stock Company
Vietnam Bond Fund

INTERIM CASH FLOW STATEMENT
for the six-month period then ended 30 June 2017

B05g-QM

No	ITEMS	Notes	For the six-month period ended 30 June 2017 VND	For the six-month period ended 30 June 2016 VND
	I. CASH FLOWS FROM INVESTING ACTIVITIES			
01	1. Profit before tax		14,177,570,479	3,507,413,203
	<i>Adjustments for increase/(decrease) NAV from investing activities:</i>			
03	1.1 Unrealized gain from investing activities	13	(7,419,246,575)	(596,712,329)
04	1.2 Accrued expenses		24,122,381	25,598,650
05	2. Profit from investing activities before changes in working capital		6,782,446,285	2,936,299,524
06	Increase in investments		(229,429,322,988)	(54,454,787,671)
07	(Increase)/decrease in interest receivable from investments		(5,011,004,109)	212,898,600
08	Decrease in other receivables		-	1,419,354
11	Increase in payable to distribution agent		415,004,349	1,460,263
13	(Decrease)/increase in tax and statutory obligations		(501,039)	158,744
14	Increase in payables to investors relating to purchasing of fund units		2,590,050,000	-
15	Increase in payables to investors relating to repurchasing of fund units		102,772,217	39,273,617
16	Increase in other payable		18,000,146	49,847,475,407
17	Increase in fund management fee payable		120,022,490	115,412
19	Net cash used in investing activities		(224,412,532,649)	(1,415,686,750)
	II. CASH FLOWS FROM FINANCING ACTIVITIES			
31	1. Capital contribution	9	241,460,555,064	3,494,765,379
32	2. Capital redemption	9	(37,233,934,777)	(2,539,005,863)
30	Net cash from financing activities		204,226,620,287	955,759,516
40	III. Net decrease in cash and cash equivalents during the period		(20,185,912,362)	(459,927,234)
50	IV. Cash and cash equivalents at the beginning of the period		75,523,833,444	8,749,866,110

Vietnam Investment Fund Management Joint Stock Company
Vietnam Bond Fund

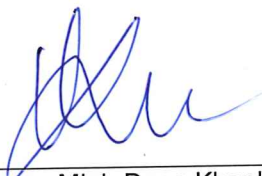
INTERIM CASH FLOW STATEMENT (continued)
for the six-month period then ended 30 June 2017

B05g-QM

No	ITEMS	Notes	For the six-month period ended 30 June 2017 VND	For the six-month period ended 30 June 2016 VND
55	V. Cash and cash equivalents at the end of the period	4	55,337,921,082	8,289,938,876
56	Deposits at banks at the end of the period:			
57	- Cash at bank for the Fund's operation		52,747,871,082	8,289,938,876
	+ Demand deposits for the Fund's operation		23,247,871,082	789,938,876
	+ Deposits with terms less than three months		29,500,000,000	7,500,000,000
58	- Cash of Investors for purchasing fund units		2,590,050,000	-
60	VI. Net decrease in cash and cash equivalents during the period		(20,185,912,362)	(459,927,234)



Ms Vuong Thi Tram Anh
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cum Chief Financial Officer



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Chief Executive Officer

Ho Chi Minh City, Vietnam

10 August 2017

Vietnam Investment Fund Management Joint Stock Company

Vietnam Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS
as at 30 June 2017 and for the six-month period then ended

B06g-QM

1. THE FUND CHARACTERISTICS

1.1 *The Fund information*

The Fund

Vietnam Bond Fund ("the Fund") was established as an open-ended securities investment fund in Vietnam in accordance with Initial Public Offering Certificate No. 04/GCN-UBCK dated 27 February 2013; Registration certificate for open ended fund No. 04/GCN-UBCK issued by the State Securities Commission ("SSC") on 10 June 2013 and Decision No. 398/QD-UBCK issued by SSC dated 7 May 2015 on the amendment of the certificate registration of the public investment fund. As such, the Fund was licensed to operate for an indefinite period.

The Fund has no employee and is managed by Vietnam Investment Fund Management Joint Stock Company ("the Fund Management Company") which was established in accordance with License No. 45/UBCK-GP issued by the SSC on 8 January 2009.

The Fund is located at Unit 1701-04, 17th Floor, Melinh Point Tower, 2 Ngo Duc Ke Street, District 1, Ho Chi Minh City, Vietnam.

Fund Management Company

Vietnam Investment Fund Management Joint Stock Company is the authorized Representative of the Fund, on behalf of the Fund to execute the ownership towards the assets of the Fund in an honest and careful manner. The Fund Management Company complies with the provisions of law and the charter of Fund Management Company and manages the Fund's assets as stipulated in the Fund Charter in compliance with the code of professional ethics, voluntariness, fairness, honesty and for the best interests of the Fund.

Custodian and Supervisory Bank

The Fund was approved by the SSC that its Custodian and Supervisory Bank is Standard Chartered Bank (Vietnam) Limited, under amended Decision of Certificate Registration No. 398/QD-SSC dated 7 May 2015.

The Custodian and Supervisory Bank were appointed by the General Meeting of Investors. Functions of the Custodian and Supervisory Bank include safe keeping, depository of securities, certificates of legitimate ownership of the Fund, business contracts, other documents related to assets of the Fund and supervisory activities of the Fund's assets management by the Fund Management Company. Rights and obligations of the Depository and Supervisory Bank are stipulated in the Fund Charter.

1.2 *The Fund characteristics*

Initial distributed fund units

Total number of initial distributed fund units was 9,957,482.26 amounting to VND99,574,822,600 at par value of VND10,000 per fund unit. As at 31 December 2016, the capital of the Fund at par value contributed by investors was VND73,944,472,900. During six-month period ended 30 June 2017, the Fund issued additional 16,842,134.08 Fund units amounting to VND241,460,555,064 and redeemed 2,606,985.24 fund units amounting to VND37,233,934,777. The capital of the Fund at par value contributed by investors as at 30 June 2017 amounted to VND216,295,961,300.

Vietnam Investment Fund Management Joint Stock Company

Vietnam Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2017 and for the six-month period then ended

B06g-QM

1. THE FUND CHARACTERISTICS (continued)

1.2 *The fund characteristics* (continued)

Main objective

The main objective of the Fund is to earn profit from trading of debt securities (including but not limited to Vietnamese Government bonds, Government guaranteed bonds, municipal bonds, corporate bonds of issuers operating under Vietnamese law, ect.), valuable papers and fixed income instruments.

The Fund's strategy is active management based on fundamental analysis of macro-economic conditions, as well as quantitative models, statistic or corporate analysis in making investment decisions which optimizes profit for the portfolio.

Net asset value valuation period

Net asset value (NAV) valuation period:

- ▶ Weekly basis: NAV is weekly valued every Friday. In case the valuation date falls in a weekend or holiday, the valuation shall be carried on the next working day right after.
- ▶ Monthly basis: NAV is monthly valued on the first day of the next month regardless the valuation date falls in a weekend or holiday.

Frequency of trading

Frequency of fund unit trading is arranged every Friday. If the trading day is a public holiday, the trading shall be executed on the next trading day. In case the next trading day is also a public holiday, the trading shall be executed on the working day right after the first trading day that was fallen into the public holiday.

Investment restrictions

Investment restrictions of the Fund:

- a. Do not invest more than twenty percent (20%) of the Fund's total asset value in outstanding securities of an issuer, including valuable papers, negotiable instruments, bonds, (except Government bonds) voting shares, non-voting preferred shares, and convertible bonds;
- b. Do not invest in securities of an issuer, which are more than ten percent (10%) of the total value of outstanding securities of that issuer, except Government bonds;
- c. Do not invest more than thirty percent (30%) of the Fund's total asset value in the following assets: deposits at commercial banks as stipulated by banking laws; foreign currencies, money market instruments including: valuable papers, negotiable instruments in accordance with relevant regulations; listed bonds, listed shares, and registered shares of issuers operating under Vietnamese law; shares, bonds to be listed or registered by the issuers operating under Vietnamese law; corporate bonds issued by listed organizations for which payment security is provided by credit institutions or which issuing organizations undertake to repurchase; listed and registered derivatives at Stock Exchange as a hedge which are issued by the company or by a group of companies that have mutual ownership relations, in which the investment in derivative securities equals the value committed in the contract as defined in the Fund Charter;
- d. Do not invest more than ten percent (10%) of the Fund's total asset value in shares, bonds to be listed or registered by the issuers operating under Vietnamese law, corporate bond issued by listed organization for which payment security is provided by credit institutions or which issuing organizations undertake to repurchase;

Vietnam Investment Fund Management Joint Stock Company

Vietnam Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2017 and for the six-month period then ended

B06g-QM

1. THE FUND CHARACTERISTICS (continued)

1.2 *The fund characteristics* (continued)

Investment restrictions (continued)

- e. At any time, the total commitment value in the transactions of derivative securities, outstanding loans and other payables of the Fund must not exceed the NAV of the Fund;
- f. Do not invest in securities investment funds, shares of securities investment companies that are established and operate in Vietnam;
- g. Do not directly invest in real estates, precious stones and metals;

Except for cases stated in point e, f, g above, the Fund's investment structure is allowed to vary within the limits prescribed above and only due to the objective reasons as follows:

- a. The fluctuation of the market prices of assets in the Fund's investment portfolio;
- b. Making eligible payments of the Fund;
- c. Implementation of trading orders of investors;
- d. Merger, consolidation and acquisition activities of issuers;
- e. The new fund has just been licensed for establishment due to the splitting, merge, consolidation, and the operation time has not exceeded six (6) months from the date of issuance of certificate of fund registration; and
- f. The Fund is under dissolution process.

2. BASIS OF PREPARATION

2.1 *Accounting standards and system*

The interim financial statements of the Fund are prepared in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, Vietnamese Accounting System applicable to open-ended funds and statutory requirements relevant to preparation and presentation of the interim financial statements as per Circular No. 198/2012/TT-BTC ("Circular 198") dated 15 November 2012 regulating the accounting system applicable to open – ended funds, Circular No. 183/2011/TT-BTC ("Circular 183") dated 16 December 2011 regulating the establishment and management of open – ended funds, Circular No. 15/2016/TT-BTC dated 20 January 2016 amending, supplementing some articles of Circular No. 183 dated 16 December 2011, Circular No. 181/2015/TT-BTC dated 13 November 2015 regulating the accounting system applicable to exchange traded funds issued by the Ministry of Finance.

Vietnam Investment Fund Management Joint Stock Company

Vietnam Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2017 and for the six-month period then ended

B06g-QM

2. BASIS OF PREPARATION (continued)

2.1 *Accounting standards and system* (continued)

The interim financial statements have been prepared on historical cost basis, except investments that have been measured at fair value (*Note 3.2*).

The interim financial statements accompanied have been prepared using accounting principles, procedures and reporting practices generally accepted in Vietnam. Accordingly, the accompanying interim financial statements are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices, and furthermore are not intended to present the interim financial position, interim result of operations, the changes in net assets, transactions of fund units and interim cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

According to Circular 198, the Fund's interim financial statements include the following reports:

1. Interim income statement
2. Interim balance sheet
3. Interim statement of changes in net assets, transactions of fund units
4. Interim statement of investment portfolio
5. Interim cash flow statement
6. Notes to the interim financial statements

2.2 *Applied accounting documentation system*

The Fund's applied accounting documentation system is the General Journal system.

2.3 *Fiscal year*

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

The Fund's interim period starts on 1 January and ends on 30 June.

2.4 *Accounting currency*

The Fund maintains its accounting records in Vietnam dong and the interim financial statements are presented in Vietnam dong ("VND").

Vietnam Investment Fund Management Joint Stock Company

Vietnam Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2017 and for the six-month period then ended

B06g-QM

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents comprise current accounts and term deposits with terms of equal or less than three months from the transaction dates, highly liquid short-term investments that are readily convertible to known amounts of cash, and 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 purpose or other purposes.

3.2 Investments

Investments are initially recognized at cost which excludes transaction costs at transaction date. Transaction costs are recognized as transaction cost for investing activities in the income statement at the transaction date.

Investments are subsequently measured at market value or fair value (in case there is no market value) on the NAV valuation date or at the end of fiscal year in accordance with Circular No. 183/2011/TT-BTC dated 16 December 2011 regulating the establishment and management of open-ended funds, Circular No. 15/2016/TT-BTC dated 20 January 2016 amending and supplementing several articles of the Circular No. 183/2011/TT-BTC dated 16 December 2011, Circular No.181/2015/TT-BTC dated 13 November 2015 regulating about accounting policies of Exchange Traded Fund and Open-ended fund issued by the Ministry of Finance and Fund Charter. Changes in fair value are recognized in the income statement in accordance with Circular No. 198/2012/BTC dated 15 November 2012 issued by the Ministry of Finance guiding the accounting system applicable to open-ended funds. Fair value is determined using the acceptable valuation methods as follows:

No.	Type of asset	Principles for valuation of transactions on the market
Cash and cash equivalent, money market instrument		
1.	Cash (VND)	Cash balance in demand deposit account on the date prior to the valuation date.
2.	Foreign currency	The balances are converted to VND equivalent at the buying exchange rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam on the date prior to the valuation date.
3.	Term deposit	Principal balances plus accrued interest receivables at the date prior to the valuation date.
4.	Treasury bills, bank notes, commercial papers, transferable of deposit certificates, bonds due within three (3) months and discounted money market instruments	Purchase price plus accrued interest receivables as at the date prior to the valuation date.

Vietnam Investment Fund Management Joint Stock Company
Vietnam Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2017 and for the six-month period then ended

B06g-QM

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Investments (continued)

No.	Type of asset	Principles for valuation of transactions on the market
Bonds		
5.	Listed bonds	<ul style="list-style-type: none"> - Quoted price or another name (clean price), depending on the internal regulations of the Stock Exchange, which is being shown on the transaction system of the Stock Exchange for normal trading transactions on the latest transaction date prior to the valuation date plus accrued interest receivables (if listed price excluded accrued interest); - In case of no transaction in more than two (2) weeks prior to the valuation date or transactions with unusual price fluctuation according to Valuation manual approved by the Board of Representatives, bonds are measured in priority order as follows: <ul style="list-style-type: none"> + Price determined by the method approved by the Board of Representatives (detailed in Valuation manual); + Purchase price plus accrued interest receivables; + Face value plus accrued interest receivables. - In the case of bonds are bid successfully, in the time of waiting for listing, these bonds are valued based on the most recent bidding yield.
6.	Unlisted bonds	<p>Bonds are measured in priority order as follows:</p> <ul style="list-style-type: none"> - Quoted price or another name (clean price), depending on the internal regulations of the Stock Exchange, which is being shown on the transaction system of the Stock Exchange for unlisted bonds on the latest transaction date prior to the valuation date plus accrued interest receivables; - Average prices of successful trading prices in the lasted period prior to the valuation date obtained from at least three (3) securities companies which are not related parties and are approved by the Board of Representatives; - Price determined by the method approved by the Board of Representatives (detailed in Valuation manual); - Purchase price plus accrued interest receivables; - Face value plus accrued interest receivables.
7.	Warrant on convertible bonds	<ul style="list-style-type: none"> - Average prices obtained from three (3) securities companies which are not related parties and are approved by the Board of Representatives ; - In case of no transactions, reference price is determined by the method approved by the Board of Representatives.

Vietnam Investment Fund Management Joint Stock Company
Vietnam Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2017 and for the six-month period then ended

B06g-QM

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Investment (continued)

No.	Type of asset	Principle for valuation of the transactions on the market
Shares		
8.	Listed shares on Ho Chi Minh City Stock Exchange or Hanoi Stock Exchange	<ul style="list-style-type: none"> - Closing price (or another name regulated internally of the Stock Exchange) on the latest transaction date prior to the valuation date; - In case of no transaction in more than two (2) weeks prior the valuation date, shares are measured in priority order as follows: <ul style="list-style-type: none"> + Closing price (or another name regulated internally of the Stock Exchange) on the transaction date within 12 months prior to the valuation date; + Purchase price; + Book value; + Price determined by the method approved by the Board of Representatives. - In the time of securities on the UpCom market a preparing to transfer to listed market, the closing price on the latest transaction date on the UpCom market prior to valuation date is selected.
9.	Shares of public companies registered for trading on the UpCom system	<ul style="list-style-type: none"> - Closing price (or another name regulated internally of the Stock Exchange) on the latest transaction date prior to the valuation date; - In case of no transaction in more than two (2) weeks prior valuation date, the closing price (or another name regulated internally of the Stock Exchange) on the latest transaction date within 12 months prior to the valuation date is selected; or <ul style="list-style-type: none"> + Purchase price; or + Book value; or + Price determined by the method approved by the Board of Representatives. - In the time of securities on the UpCom market a preparing to transfer to listed market, the closing price on the latest transaction date on the UpCom market prior to valuation date is selected.

Vietnam Investment Fund Management Joint Stock Company
Vietnam Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2017 and for the six-month period then ended

B06g-QM

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Investment (continued)

No.	Type of asset	Principle for valuation of the transactions on the market
Shares (continued)		
10.	Shares registered and deposited but not listed and registered for trading	<ul style="list-style-type: none"> - Average prices obtained from three (3) securities companies which are not related parties and are approved by the Board of Representatives on the latest transaction date prior to the valuation date; - In case of no prices being obtained in full from three (3) securities which are not related parties and are approved by the Board of Representatives, shares are measured in priority order as follows: <ul style="list-style-type: none"> + Average price obtained from two (2) securities companies which are not related parties and are approved by the Board of Representatives; + Price of the latest reporting period but not more than three (3) months prior to the valuation date; + Purchase price; + Book value; + Price determined by the method approved by the Board of Representatives.
11.	Shares suspended for trading, or cancelled listing or transaction registration	<p>Shares are measured in priority order as follows:</p> <ul style="list-style-type: none"> - Book value; - Face value; - Price determined by the method approved by the Board of Representatives.
12.	Shares of organization falling into winding-up or bankruptcy	<p>The valuation shall be implemented in descending order of priority with the following prices:</p> <ul style="list-style-type: none"> - 80% of liquidating value of such shares on latest balance sheet date prior to valuation date; - Price determined by the method approved by Board of Representatives.

Vietnam Investment Fund Management Joint Stock Company
Vietnam Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2017 and for the six-month period then ended

B06g-QM

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 *Investment* (continued)

No.	Type of asset	Principle for valuation of the transactions on the market
Derivative securities		
13.	Listed derivative securities	Closing price on latest transaction date prior to valuation date.
14.	Listed derivative securities with no transaction within two weeks or more	Price determined by the method approved by the Board of Representatives.
15.	Commitment value from derivative contracts	<ul style="list-style-type: none"> - Commitment value (global exposure) is the monetary value or amount to match the exposure arising from the Fund's derivative obligation. Commitment value is calculated by taking into account the fair value of the underlying assets, liquidity risks, market risks and the time required to liquidate the position. - When calculating the committed amount, fund management companies may apply: <ul style="list-style-type: none"> + Net offset principle of derivative position (reverse) for the same outstanding security; + Net offset principle of derivative position and spot delivery position of the same security; - Other principles are in accordance with the international practice to ensure the risk management.
Other assets		
16.	Other permitted investment assets	Price determined by the method in compliance with the current regulations.

Classification

Investments in the investment portfolio of the Fund are classified into financial assets (shares, bonds, monetary instruments, derivative instruments, etc.) and transaction methods (trading via Stock Exchange or Over-the-counter ("OTC")). The investments trading via OTC only include investments which are ready to be listed.

Vietnam Investment Fund Management Joint Stock Company

Vietnam Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2017 and for the six-month period then ended

B06g-QM

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 *Investments* (continued)

Recognition

The Fund recognizes investments in securities at the transaction date.

Derecognition

Securities investments are derecognized when the rights to receive cash flows from those investments in securities are terminated or the Fund does not hold almost risks and benefits associated with ownership of securities.

Cost of trading securities is calculated by using the weighted average method.

Right issue

Right issue is initially recognized in investment at nil value (0). Right issue is subsequently measured at fair value which is premium of securities market price at reporting date and price at announcing date multiplied by the ratio of the right exercised to buy one new share.

3.3 *Net asset value and net asset value per fund unit*

Net asset value is the total value of assets owned by the Fund after deducting related payables (such as management fee, supervisory fee, custody fee, administration fee, agent fee and other fees) on the date preceding the revaluation date.

Net asset value per fund unit is calculated by dividing net asset value of the Fund by the total number of outstanding fund units as at the most recent trading day preceding the valuation date. Net asset value is rounded in accordance with relevant accounting and auditing regulations.

3.4 *Repurchase agreements*

Securities sold under agreements to repurchase at a specified future date alongside with ownership transfer to and from counterparties are still recognized in interim financial statements. Cash received according to the agreements is recognized as a liability in the balance sheet. The difference between sale price and repurchase price is recognized as interest expense and allocated into the income statement over the effective term of the agreements using the straight-line method. The sellers have rights to receive interest and other related income (if any).

3.5 *Contributed capital and share premium*

3.5.1 *Contributed capital*

The Fund's units with discretionary dividends are classified as contributed capital, which includes capital issued and capital redeemed.

Capital issued

Capital issued reflects fund capital of the Fund contributed by the investors by purchasing fund unit upon the initial offering to the public and supplementary capital contribution of subsequent offerings from the Fund or by switching fund units of other open-ended funds which are monitored by Fund Management Company.

Capital issued is reflected at face value.

Vietnam Investment Fund Management Joint Stock Company

Vietnam Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2017 and for the six-month period then ended

B06g-QM

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 *Contributed capital and surplus* (continued)

3.5.1 *Contributed capital* (continued)

Capital redeemed

Capital redeemed reflects the gross redemption amount paid to investor in subsequent Fund's Certificate redemption cycles after establishment date or switching between open-ended funds under the management of Fund Management Company.

Capital redeemed is relected at face value.

Share premium

Share premium is the difference between NAV per a fund unit and its face value which it issues/redeems.

3.5.2 *Retained earnings*

Retained earnings reflect undistributed gain/loss as at the reporting date, which includes realized profit and unrealized profit.

Realized profit is the difference between the Fund's total income, revenue after eliminating the unrealized gain or loss from revaluation of the Fund's investments and expense during the period.

Unrealized profit is the total gain or loss arising from revaluation of the Fund's investments during the period.

At the end of the period, the Fund calculates realized and unrealized profit during the period and records them in "*Retained earnings*".

3.5.3 *Profit/assets distributed to investors*

This account reflects the profit/assets distributed to investors during the period and the transfer of distributed profit to "*Retained earnings*" at the period-end.

The Fund recognizes the profit/assets distributed to investors, based on Resolution by the General Meeting of Investors in accordance with Fund Charter and prevailing securities laws.

3.6 *Receivables*

Receivables are presented in the interim financial statements as the carrying value of receivables from sales of investments, dividends and interest receivable from investments and other receivables.

Provision for doubtful debts is set up based on the aging schedule of overdue debts or expected losses which may occur in case where a debt has not been due for payment but an economic organization has become bankrupt or liquidated; or individual debtor is missing, ran away, being prosecuted, under a trial or serving a sentence or dead. Provision expense is recognized into expense of the income statement. Provision for receivables from sales of securities is recognized as expense increased during the year. Provision for receivables from dividends, coupons and deposit interest is recognized as income decreased during the period.

Provision for overdue debts is made in accordance with Circular No. 228/2009/TT-BTC and Circular No. 89/2013/TT-BTC amending and supplementing Circular No. 228/2009/ TT-BTC as follows:

<u>Overdue</u>	<u>Provision rate</u>
From over six (6) months up to under one (1) year	30%
From one (1) year up to under two (2) years	50%
From two (2) years up to under three (3) years	70%
From three (3) years and above	100%

Vietnam Investment Fund Management Joint Stock Company

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Payables and accrued expenses

Payables and accrued expenses are recognized at cost relating to payables for redemption of fund units, payables for trading securities, remuneration payables to the Fund's Board of Representatives, payables to the Fund Management Company and the Depository and Supervisory Bank and other payables.

3.8 Expenses

The Fund's investing expenses are recognized on an accrual basis. Expenses arising from sales of investments are recorded as operating expenses during the period. Expenses of Fund are mainly as follows:

Management fee

Management fee is accounted 0.9% of the net asset value for the financial year. It is paid to the Fund Management Company to provide management service to the Fund and the fee rate is fixed during the period of service provided.

Management fee is calculated in formula as:

Fund management fee for the period = 0.9% (per annum) x NAV at the pre-valuation date x Number of days in the period of valuation / Numbers of days in the financial year (365 or 366)

Custodian and supervisory fee

Custodian and supervisory fee is the fee paid to the Custodian and Supervisory Bank to provide custodian and supervisory service to the Fund. The fee is calculated based on NAV at pre-valuation date and paid monthly. The monthly fee is total fee accrued for the period of valuation.

Type	Rate (NAV/year)	Minimum monthly rate (VND/month)
Supervisory fee	0.04%	15,000,000 (if the frequency of transaction is weekly) excluded VAT (if any)
		17,000,000 (if the frequency of transaction is daily) excluded VAT (if any)
Custodian fee	0.04%	15,000,000 (if the frequency of transaction is weekly)
		18,000,000 (if the frequency of transaction is daily)

The formula of calculation for each period of valuation is determined as:

Custodian and supervisory fee (excluded transaction fee) for the period of valuation = Rate (per annum) x NAV at the pre-valuation date x Number of days in the period of valuation / Numbers of days in the financial year (365 or 366)

Administration fee

Administration fee is the fee paid monthly to the Company providing administration service for the Fund, with the detail of rate as:

Rate (NAV/year)	Minimum monthly rate (VND/month)
0.03%	10,000,000 (if the frequency of transaction is weekly)
	15,000,000 (if the frequency of transaction is daily)

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Expenses (continued)

Administration fee (continued)

The formula of calculation for each period of valuation is determined as:

Administration fee for the period of valuation = Rate (per annum) x NAV at the pre-valuation date x Number of days in the period of valuation / Numbers of days in the financial year (365 or 366)

Transfer agent fee

Transfer agent fee is the fee paid to suppliers for providing transfer agent service to the Fund. The rate is fixed at VND10 million per month and allocated for periods of valuation during the month. The transaction fee to buy, sell, swap, owner-right transfer and bank transfer is 0.01% of transaction value in the new purchase, repurchase, transfer transaction and free for the first 400 transactions per month. The fee rate of taking up option is VND1,000,000 once providing a list of options. Total maximum transfer agent fee is 0.03% NAV/year. Total minimum transfer agent fee is VND96 million per annum (i.e VND8 million per month), which is always applied onwards.

Transfer agent fee is calculated at the year end, based on the average NAV of the financial year and adjusted at the first month of next year (if any). The fee rate, method and payment term are regulated specifically in the service contract between the Fund management company and the Supplier.

3.9 Revenue recognition

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

Interest (including interest from deposit, certificates of deposits and bond)

Revenue is recognized as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

Income from securities trading activities

Income from securities trading activities is recognized into the income statement when the Fund receives the deal confirmation from Vietnam Security Depository, which is certified by the Supervisory Bank (for listed securities) and when assets transfer contracts are settled (for unlisted securities).

3.10 Tax

Under the Vietnamese current regulations, the Fund is not subject to corporate income tax. However, the Fund is required to withhold income tax of individual and institutional investors in the following transactions:

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 Tax (continued)

Dividend payments to investors

When the Fund distributes dividends to its investors, the Fund Management Company must comply with Circular No. 78/2014/TT-BTC dated 18 June 2014, Circular No. 111/2013/TT-BTC dated 15 August 2013 issued by the Ministry of Finance and Circular No. 92/2015/TT-BTC dated 15 June 2015 on guidelines for VAT and personal income tax incurred by residents doing business, amendments to some articles on personal income tax of the Law No. 71/2014/QH13 on the amendments to tax laws and the Government's Decree no. 12/2015/NĐ-CP dated 12 February 2015 on guidelines for the law on the amendments to tax laws and decrees on taxation, Circular No. 96/2015/TT-BTC dated 25 August 2014 guidelines for corporate income tax in the Government's Decree no. 12/2015/NĐ-CP dated 12 February 2015 on guidelines for the Law on amendments to laws on taxation and amendments to decrees on taxation; amendments to some articles of Circular No. 78/2014/TT-BTC dated 18 June 2014, Circular no. 119/2014/TT-BTC dated 25 August 2014, and Circular No. 151/2014/TT-BTC dated 10 October 2014 of the MoF, Official Letter No. 10945/BTC-TCT dated 19 August 2010 on guidelines for tax policies for investors. Accordingly, when the Fund distributes dividends to its institutional investors, regardless of domestic or foreign, the Fund Management Company is required to withhold 20% of distributed profit (except for distributed profit portions already imposed with corporate income tax in the previous stage and bond interest collected from tax-free bonds in accordance with the current regulations). In addition, when the Fund distributes dividends to its individual investors, it must withhold the personal income tax at 5% of dividend amounts.

Fund units redemption

The Fund Management Company is required to withhold, declare and pay income tax of transactions relating to fund units redemption from individuals (domestic or foreign) and foreign Institutions in accordance with regulations regarding to foreign transactions. The applied tax rate for unlisted securities transfer transactions is 0.1% of transfer value in accordance with Circular No. 78/2014/TT-BTC dated 18 June 2014, Circular No. 111/2013/TT-BTC dated 15 August 2013 and Circular No. 103/2014/TT-BTC dated 6 August 2014 issued by the Ministry of Finance.

The Fund does not withhold income tax of domestic investors who are the organizations since these domestic organizations shall be responsible for their income tax declaration and payment.

3.11 Related parties

Parties/persons are considered to be related if one party/person has the ability, directly or indirectly, to control other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Other investment funds under the management of the same Fund Management Company, the Fund Management Company and shareholders of the Fund Management Company are considered as related parties to the Fund. The substance of each party's relationship is more important than its legal form.

3.12 Off balance sheet items

Off balance sheet items stated in Circular No. 198/2012/TT-BTC dated 15 November 2012 issued by the Ministry of Finance on accounting system applicable to open-ended funds are presented in the relevant notes in these interim financial statements.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 *Financial instruments*

For the purpose of disclosure in the financial statements regarding the importance of financial instruments on the balance sheet and the income statement, as well as the nature and the degree of risk incurred from financial instruments in accordance with Circular No. 210/2009/TT-BTC issued by the Ministry of Finance, the Fund classifies the financial instruments into one of the following categories:

Financial assets

► *Financial asset at fair value through profit or loss:*

Is a financial asset that meets either of the following conditions:

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

► *Held-to-maturity investments:*

Are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Fund has the positive intention and ability to hold to maturity other than:

- a) Those that the Fund upon initial recognition designates as at fair value through profit or loss;
- b) Those that are designated as available-for-sale; and
- c) Those that meet the definitions of 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:

- a) Those that the Fund intends to sell immediately or in the near term, which shall be classified as held for trading and those that the Fund upon initial recognition designates as at fair value through profit or loss;
- b) Those that the Fund upon initial recognition designates as available for sale; or
- c) Those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration which shall be classified as available for sale.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 *Financial instruments* (continued)

▶ *Available-for-sale assets:*

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

- a) Financial assets at fair value through profit or loss;
- b) Held-to-maturity investments; or
- c) Loans and receivables

Financial liabilities

▶ *Financial liabilities at fair value through profit or loss*

is a financial liability that meets either of the following conditions:

- a) It is classified as held for trading. A financial liability is classified as held for trading if:
 - It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
 - On initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
 - It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).
- b) Upon initial recognition it is designated by the Fund as at fair value through profit or loss.

▶ *Financial liabilities at amortized cost*

Financial liabilities are not categorized as at fair value through profit or loss will be classified financial liabilities at amortized cost.

The classification of the above financial instruments is for the only purpose of presentation and disclosure and is not for describing the valuation method of the financial instruments. The accounting policies relating to valuation of financial instruments are presented in corresponding notes.

3.14 *Nil balance*

Items or balance stipulated in Circular No. 198/2012/TT-BTC dated 15 November 2012 issued by the Ministry of Finance regarding the accounting systems for open-ended funds, which are not presented in these interim financial statements, are considered nil balance.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2017 and for the six-month period then ended

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4. CASH AND CASH EQUIVALENTS

	<u>30 June 2017</u> VND	<u>31 December 2016</u> VND
Deposits in VND with term less than three (3) months	29,500,000,000	74,700,000,000
<i>Including:</i>		
- Asia Commercial Joint Stock Bank	18,500,000,000	19,700,000,000
- North Asia Commercial Bank	10,000,000,000	-
- Vietnam International Joint Stock Commercial Bank	1,000,000,000	20,000,000,000
- Standard Chartered Bank (Vietnam)	-	20,000,000,000
- Joint Stock Commercial Bank for Investment and Development of Vietnam	-	15,000,000,000
Demand deposit at the Custodian and Supervisory Bank for the Fund's operation	<u>25,837,921,082</u>	<u>823,833,444</u>
	<u>55,337,921,082</u>	<u>75,523,833,444</u>

Vietnam Investment Fund Management Joint Stock Company
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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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5. INVESTMENTS

	Cost VND	Market value or fair value VND	Revaluation difference		Revaluation VND
			Increase VND	Decrease VND	
	[1]	[2]	[3]	[4]	[5]=[1]+[3]+[4]
30 June 2017					
Listed bonds	153,261,253,425	160,680,500,000	7,792,006,849	(372,760,274)	160,680,500,000
Certificates of deposits	102,168,069,563	102,168,069,563	-	-	102,168,069,563
	255,429,322,988	262,848,569,563	7,792,006,849	(372,760,274)	262,848,569,563
31 December 2016					
Certificates of deposits	26,000,000,000	26,000,000,000	-	-	26,000,000,000

Vietnam Investment Fund Management Joint Stock Company
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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2017 and for the six-month period then ended

5. INVESTMENTS (continued)

Details of investments as at 30 June 2017 are as follows:

	Quantity	Purchasing price VND	Market price or fair value VND	Interest rate	Issue date	Maturity date
30 June 2017						
Government Bond TD1747410	500,000	49,994,493,151	54,217,000,000	7.90%	16/03/2017	16/03/2047
Government Bond TD1737407	500,000	49,744,000,000	53,313,500,000	7.40%	30/03/2017	30/03/2037
Government Bond TD1747411	500,000	53,522,760,274	53,150,000,000	7.80%	07/04/2017	07/04/2047
Certificates of Deposits - Home Credit Vietnam Co., Ltd	30	30,168,069,563	30,168,069,563	9.50%	10/10/2017	10/10/2017
Certificates of Deposits - HD Saison Finance Co., Ltd	20	20,000,000,000	20,000,000,000	10.50%	25/04/2017	25/11/2017
Certificates of Deposits - VP Bank Finance Co., Ltd	18	18,000,000,000	18,000,000,000	10.25%	31/03/2017	02/05/2018
Certificates of Deposits - VP Bank Finance Co., Ltd	18	18,000,000,000	18,000,000,000	11.00%	10/02/2017	10/08/2018
Certificates of Deposits - Home Credit Vietnam Co., Ltd	10	10,000,000,000	10,000,000,000	11.00%	19/09/2016	19/09/2019
Certificates of Deposits - HD Saison Finance Co., Ltd	6	6,000,000,000	6,000,000,000	11.50%	11/07/2016	11/07/2018
		255,429,322,988	262,848,569,563			

Vietnam Investment Fund Management Joint Stock Company
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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2017 and for the six-month period then ended

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6. RECEIVABLES

	<i>30 June 2017</i> VND	<i>31 December 2016</i> VND
Receivables and dividends, accrued interest receivables from investments		
Interest accruals from bond investment	3,008,904,109	-
Interest accruals from certificates of deposits	2,910,749,999	949,638,888
Interest accruals from term deposits	63,297,222	22,308,333
	5,982,951,330	971,947,221

7. ACCRUED EXPENSES

	<i>30 June 2017</i> VND	<i>31 December 2016</i> VND
Audit fee	48,547,666	48,950,000
Annual reporting fee	42,504,589	33,179,300
Broker fee from trading Government bond	22,537,125	-
Remuneration payables to the Board of Representatives	13,463,021	18,000,000
Annual general meeting fee	9,050,129	6,050,000
	136,102,530	106,179,300

8. FUND MANAGEMENT FEE PAYABLES

	<i>30 June 2017</i> VND	<i>31 December 2016</i> VND
Fund management fee	197,620,770	77,698,280
Transfer agent fee	66,000,000	66,000,000
Supervising fee	16,500,000	16,500,000
Depository fee	15,000,000	15,000,000
Fund administration fee	11,000,000	11,000,000
Security trading fee	100,000	-
	306,220,770	186,198,280

Vietnam Investment Fund Management Joint Stock Company
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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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9. STATEMENT OF CHANGES IN OWNERS' EQUITY

	<i>31 December 2016</i>	<i>Movement during the period</i>	<i>30 June 2017</i>
Capital issued			
Number of fund units (<i>units</i>)	15,243,298.97	16,842,134.08	32,085,433.05
Subscribed capital at face value (<i>VND</i>)	152,432,989,700	168,421,340,800	320,854,330,500
Share premium (<i>VND</i>)	6,777,926,314	73,039,214,264	79,817,140,578
Total capital issued (<i>VND</i>)	159,210,916,014	241,460,555,064	400,671,471,078
Capital redeemed			
Number of fund units (<i>units</i>)	(7,848,851.68)	(2,606,985.24)	(10,455,836.92)
Redeemed capital at face value (<i>VND</i>)	(78,488,516,800)	(26,069,852,400)	(104,558,369,200)
Share premium (<i>VND</i>)	(6,544,304,527)	(11,164,082,377)	(17,708,386,904)
Total capital redeemed (<i>VND</i>)	(85,032,821,327)	(37,233,934,777)	(122,266,756,104)
Number of outstanding fund units	7,394,447.29	14,235,148.84	21,629,596.13
Contributed capital (VND)	74,178,094,687	204,226,620,287	278,404,714,974
Retained earnings (VND)	28,006,576,643	14,177,570,479	42,184,147,122
NAV	102,184,671,330		320,588,862,096
NAV per fund unit	13,819.10		14,821.76

10. RETAINED EARNINGS

	<i>30 June 2017 VND</i>	<i>30 June 2016 VND</i>
Beginning balance	28,006,576,643	19,044,496,772
Realized profit in the period	6,758,323,904	2,910,700,874
Unrealized gain in the period	7,419,246,575	596,712,329
	42,184,147,122	22,551,909,975

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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11. INTEREST INCOME

	<i>For the six-month period ended 30 June 2017 VND</i>	<i>For the six-month period ended 30 June 2016 VND</i>
Interest income received in the period	1,895,044,727	1,627,461,142
Bond coupons received in the period	912,054,794	788,677,296
Interest from certificates of deposit received in the period	616,361,112	679,555,553
Interest from cash at bank received in the period	366,628,821	159,228,295
Accrued interest at the period-end	4,810,788,088	2,254,660,198
Interests from certificates of deposits	2,712,833,332	1,444,111,111
Bond coupons	2,034,657,534	782,465,753
Interest from term deposits	63,297,222	28,083,334
	6,705,832,815	3,882,121,340

12. GAIN FROM INVESTMENT TRADING

	<i>For the six-month period ended 30 June 2017</i>			
	<i>Total value of investments sold VND</i>	<i>Weighted average cost at the end of transaction date VND</i>	<i>Gain from selling investments in six-months of 2017 VND</i>	<i>Gain from selling investments in six-months of 2016 VND</i>
Listed bonds	103,323,431,507	101,962,986,301	1,360,445,206	51,459,690

13. UNREALIZED GAIN ON REVALUATION OF SECURITIES INVESTMENTS

	<i>Purchase price per book value VND</i>	<i>Market value or fair value VND</i>	<i>Unrealized gain as at 30 June 2017 VND</i>	<i>Unrealized loss recorded in prior period VND</i>	<i>Revaluation difference recognized in the current period VND</i>
Listed bonds	153,261,253,425	160,680,500,000	7,419,246,575	-	7,419,246,575
Certificates of deposits	102,168,069,563	102,168,069,563	-	-	-
	255,429,322,988	262,848,569,563	7,419,246,575	-	7,419,246,575

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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14. EXPENSES FROM INVESTING ACTIVITIES

	<i>For the six-month period ended 30 June 2017 VND</i>	<i>For the six-month period ended 30 June 2016 VND</i>
Transaction costs on buying, selling investments	66,035,625	79,407,475
- Transaction costs on buying investments	44,207,925	37,853,275
- Transaction costs on selling investments	21,827,700	41,554,200
Interest expense	-	69,465,902
	<u>66,035,625</u>	<u>148,873,377</u>
14.1 Transaction costs for buying investments		
	<i>For the six-month period ended 30 June 2017 VND</i>	<i>For the six-month period ended 30 June 2016 VND</i>
Bonds	<u>44,207,925</u>	<u>37,853,275</u>
14.2 Transaction costs for selling investments		
	<i>For the six-month period ended 30 June 2017 VND</i>	<i>For the six-month period ended 30 June 2016 VND</i>
Bonds	21,327,700	30,583,800
Clearing settlement fee	500,000	1,000,000
Repurchase agreements	-	9,970,400
	<u>21,827,700</u>	<u>41,554,200</u>

Vietnam Investment Fund Management Joint Stock Company
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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
As 30 June 2017 at and for the six-month period then ended

14. EXPENSES FROM INVESTING ACTIVITIES (continued)

The Fund's transactions for the six-month period ended 30 June 2017 were mainly made through the following securities companies:

No.	Name (code) of securities companies through which the fund's transactions exceed 5% total fund's transaction value for the period	Relationship with the fund management company	Ratio of the fund's transactions through each security			Average brokerage fee in the market	
			Transacted amount of the fund for the period VND	Total transacted value of the fund for the period VND	Ratio of the fund's transactions through each security for the period		Average brokerage fee
(1)	(2)	(3)	(4)	(5)	(6)=(4)/(5)	(7)	(8)
1	Ho Chi Minh City Securities Corporation	Related	150,247,500,000	365,240,000,000	41.14%	0.02%	0.02%-0.03%
2	Bao Viet Security Joint Stock Company	Not related	109,542,500,000	365,240,000,000	29.99%	0.02%	0.02%-0.03%
3	Vietcombank Securities Limited Company	Not related	54,345,500,000	365,240,000,000	14.88%	0.02%	0.02%-0.03%
4	Bank for Investment and Development of Vietnam Securities Joint Stock Company	Not related	51,104,500,000	365,240,000,000	13.99%	0.02%	0.02%-0.03%
Total			365,240,000,000		100.00%		

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15. OTHER OPERATING EXPENSES

	<i>For the six-month period ended 30 June 2017 VND</i>	<i>For the six-month period ended 30 June 2016 VND</i>
Fund representatives remuneration (Note 21.1)	57,963,021	58,475,407
Bank charges (Note 21.2)	15,774,000	8,652,600
Expense for annual reporting fee	16,453,289	8,314,307
Fund's Board of Representatives Business traveling, meeting expenses	7,240,389	7,260,504
Annual management fee	4,958,908	4,972,682
Other	-	600,000
	<u>102,389,607</u>	<u>88,275,500</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2017 and for the six-month period then ended

16. NET ASSET VALUE

Net asset value for the six-month period ended 30 June 2017

Period of NAV	For the six-month period ended 30 June 2017			
	NAV VND	Number of fund units	NAV per fund unit VND	Increase/(decrease) of NAV per fund unit VND
Last period/December	102,184,671,330	7,394,447.29	13,819.10	3.39
First period/January	102,209,730,045	7,394,447.29	13,822.49	60.30
Second period/January	102,655,578,075	7,394,447.29	13,882.79	59.09
Third period/January	103,162,710,970	7,399,480.72	13,941.88	24.11
Fourth period/January	103,311,767,924	7,397,380.72	13,965.99	9.90
Last period/January	103,385,012,001	7,397,380.72	13,975.89	4.06
First period/February	103,415,085,439	7,397,380.72	13,979.95	53.29
Second period/February	103,767,184,694	7,394,380.72	14,033.24	16.96
Third period/February	104,389,416,189	7,429,743.18	14,050.20	4.43
Fourth period/February	104,423,466,282	7,429,822.64	14,054.63	38.61
Last period/February	104,950,383,759	7,446,855.90	14,093.24	(5.82)
First period/March	104,907,051,769	7,446,855.90	14,087.42	17.27
Second period/March	105,064,508,145	7,448,901.19	14,104.69	(8.23)
Third period/March	105,010,151,055	7,449,393.71	14,096.46	16.25
Fourth period/March	118,214,115,940	8,376,426.79	14,112.71	4.44
Fifth period/March	232,999,510,343	16,504,703.28	14,117.15	(6.17)
Last period/March	231,951,624,700	16,437,666.22	14,110.98	25.82
First period/April	232,376,022,529	16,437,666.22	14,136.80	63.40
Second period/April	243,344,253,916	17,136,666.58	14,200.20	83.94
Third period/April	244,805,206,250	17,138,249.38	14,284.14	17.86
Fourth period/April	214,039,883,060	14,965,725.33	14,302.00	7.51
Last period/April	214,042,708,502	14,958,073.33	14,309.51	19.75
First period/May	214,338,199,505	14,958,073.33	14,329.26	109.70
Second period/May	212,895,445,124	14,744,512.53	14,438.96	46.63
Third period/May	213,607,366,138	14,746,192.67	14,485.59	44.34
Fourth period/May	214,755,909,502	14,780,239.00	14,529.93	41.12
Last period/May	216,881,663,759	14,884,415.32	14,571.05	

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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16. NET ASSET VALUE (continued)

Net asset value for the six-month period ended 30 June 2017 (continued)

Period of NAV	For the six-month period ended 30 June 2017			Increase/(decrease) of NAV per fund unit VND
	NAV VND	Number of fund units	NAV per fund unit VND	
First period/June	216,704,129,828	14,884,415.32	14,559.12	(11.93)
Second period/June	220,597,822,282	15,111,089.48	14,598.40	39.28
Third period/June	259,635,566,263	17,748,949.85	14,628.22	29.82
Fourth period/June	289,953,828,438	19,690,991.07	14,725.20	96.98
Fifth period/June	297,776,032,971	20,109,653.59	14,807.61	82.41
Last period/June	320,588,862,096	21,629,596.13	14,821.76	14.15
Average NAV for the period	177,317,732,742			109.70
Maximum variance of NAV per fund unit in the period				3.39
Minimum variance of NAV per fund unit in the period				

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16. NET ASSET VALUE (continued)

Net asset value for the six-month period ended 30 June 2016

Period of NAV	For the six-month period ended 30 June 2016			Increase/(decrease) of NAV per fund unit VND
	NAV VND	Number of fund units	NAV per fund unit VND	
Last period/ December	95,325,926,014	7,555,676.11	12,616.46	6.35
First period of January	95,373,891,380	7,555,676.11	12,622.81	8.38
Second period of January	95,437,223,153	7,555,676.11	12,631.19	4.18
Third period of January	95,468,824,839	7,555,676.11	12,635.37	21.67
Fourth period of January	95,651,177,114	7,557,151.70	12,657.04	1.15
Fifth period of January	95,645,645,826	7,556,022.90	12,658.19	3.17
Last period of January	95,621,144,131	7,552,200.79	12,661.36	15.70
First period of February	95,739,749,838	7,552,200.79	12,677.06	23.37
Second period of February	95,916,238,334	7,552,200.79	12,700.43	55.48
Third period of February	96,335,219,859	7,552,200.79	12,755.91	39.74
Fourth period of February	96,609,785,465	7,550,200.79	12,795.65	9.25
Last period of February	96,654,022,945	7,548,200.79	12,804.90	(31.64)
First period of March	96,415,166,326	7,548,200.79	12,773.26	7.95
Second period of March	96,624,700,717	7,559,898.45	12,781.21	75.52
Third period of March	97,163,453,469	7,557,398.45	12,856.73	(74.76)
Fourth period of March	96,564,591,461	7,554,744.95	12,781.97	35.56
Last period of March	96,745,474,873	7,547,900.48	12,817.53	7.19
First period of April	96,325,253,634	7,510,900.48	12,824.72	8.81
Second period of April	95,644,294,086	7,452,684.65	12,833.53	15.58
Third period of April	95,670,434,795	7,445,684.65	12,849.11	23.57
Fourth period of April	95,807,351,413	7,442,684.65	12,872.68	4.40
Last period of April	95,685,522,185	7,430,684.65	12,877.08	16.57
First period of May	95,808,700,143	7,430,684.65	12,893.65	35.95
Second period of May	97,749,524,852	7,560,133.57	12,929.60	53.40
Third period of May	98,542,038,850	7,590,080.50	12,983.00	20.26
Fourth period of May	98,656,797,486	7,587,080.50	13,003.26	8.67
Last period of May	98,776,495,043	7,591,222.57	13,011.93	

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16. NET ASSET VALUE (continued)

Net asset value for the six-month period ended 30 June 2016 (continued)

Period of NAV	For the six-month period ended 30 June 2016			Increase/(decrease) of NAV per fund unit
	NAV	Number of fund units	NAV per fund unit	
	NAV			VND
	VND			
First period of June	98,808,103,149	7,591,222.57	13,016.09	4.16
Second period of June	98,998,290,797	7,588,222.57	13,046.30	30.21
Third period of June	99,159,160,874	7,585,222.57	13,072.67	26.37
Fourth period of June	99,701,784,855	7,608,314.60	13,104.31	31.64
Last period of June	99,789,098,733	7,628,449.70	13,081.17	(23.14)
Average NAV for the period	96,953,817,954			75.52
Maximum variance of NAV per fund unit in the period				1.15
Minimum variance of NAV per fund unit in the period				

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17. OFF BALANCE SHEET ITEM

Number of outstanding fund units

	<i>Book value</i>	
	<u>30 June 2017</u>	<u>31 December 2016</u>
Less than one (1) year	<u>21,629,596.13</u>	<u>7,394,447.29</u>

18. SOME INDICES

18.1 Performance indicators

<i>No</i>	<i>Indices</i>	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
1	Fund management fee paid to the Fund Management Company/Average NAV in the period	0.89	0.90
2	Depository fee, supervising fee paid to the Supervisory Bank/Average NAV in the period	0.22	0.39
3	Fund administration fee, transfer agent fee and other service fee that the Fund Management Company paid to the service providers/Average NAV in the period	0.12	0.24
4	Audit fee paid to auditing firm (if any)/Average NAV in the period	0.05	0.08
5	Expenses of legal consulting service, quotation service and other services, remunerations of the Board of Representatives/Average NAV in the period	0.07	0.12
6	Total operating expense/Average NAV in the period (*)	1.40	1.80
7	Turnover ratio of investment portfolio in the period = (Total purchase value + Total sales value) / (2 * Average NAV in the period) (%)	250.80	368.34

(*) Operating expenses do not include brokerage fee

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18. SOME INDICES (continued)

18.2 Other indices

No.	Indices	For the six-month period ended 30 June 2017	For the six-month period ended 30 June 2016
1	The Fund's scale, beginning balance		
	Total value of outstanding fund units, beginning balance (face value) (VND)	73,944,472,900	75,556,761,100
	Total number of outstanding fund units, beginning balance	7,394,447.29	7,555,676.11
2	Change in scale during the period		
	Number of fund units additionally offered	16,842,134.08	270,237.62
	Value of fund units additionally offered in the period (face value) (VND)	168,421,340,800	2,702,376,200
	Number of fund units redeemed	(2,606,985.24)	(197,464.03)
	Value of fund units paid to investors' upon their orders in the period (face value) (VND)	(26,069,852,400)	(1,974,640,300)
3	The Fund's scale, ending balance		
	Total value of outstanding fund units, ending balance (face value) (VND)	216,295,961,300	76,284,497,000
	Total number of outstanding fund units, ending balance	21,629,596.13	7,628,449.70
4	Number of fund units held by the Fund Management Company and related parties/Total fund units	65.53%	27.34%
5	Number of fund units held by the 10 biggest investors/Total fund units	87.76%	99.22%
6	Number of fund units held by foreign investors/Total fund units	65.58%	93.28%
7	Number of investors participating in the Fund as at period-end, included custodian transactions	109	39
8	NAV of the fund units as at period-end (VND)	14,821.76	13,081.17

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19. FINANCIAL RISK MANAGEMENT POLICIES

The Fund is exposed to market risk, credit risk and liquidity risk. The process of risk management is critical to the Fund's continuing profitability. The Fund Management Company has designed a risk control system to ensure a sufficient balance between expected cost of risk and risk management cost. The Board of Management of the Fund Management Company continuously monitors the process of risk management to ensure a sufficient balance between risk and risk control.

The Board of Management of the Fund Management Company has reviewed and decided to apply the following risk management policies for the above risks:

19.1 *Market risk*

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four types of risk: interest rate risk, currency risk, price risk and other price risk, such as security price risk. Financial instruments affected by market risk include deposits and securities investments.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Fund's exposure to market risk for changes in interest rate relates primarily to the Fund's cash on hand and cash at bank, Government bond and certificates of deposits. These assets are highly liquid in nature and they are not held for speculative purposes.

The Fund Management Company manages interest rate risk by looking at the competitive structure of the market to obtain rates which are favorable for its purposes and within its risk management limits.

The Fund Management Company believes that interest rate risk does not have any impact on the Fund's operations result, as it owned mainly value papers of financial institutions with fixed interest rate.

A sensitivity analysis is not performed for interest rate risk because the Fund's investment portfolio including Government bonds and certificates of deposits has the fixed rates at interim reporting date.

Price risk

The Fund's listed Government bonds are exposed to market price risk arising from uncertainties about future prices of investment bonds. The Fund manages price risk by placing a limit on bond investments. The Fund's Investment Committee also reviews and approves all bond investment decisions.

As at reporting date, the Fund's fair value of listed Government bonds is VND160,680,500,000. If the bond's price decreased by 10%, the Fund's performance would reduce VND16,068,050,000 depended on significance and duration of the reduction. If the bond's price rose 10%, the Fund's performance would increase VND16,068,050,000.

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19. FINANCIAL RISK MANAGEMENT POLICIES (continued)

19.2 *Currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Fund was incorporated and operates in Vietnam. As such, its reporting and transaction currency is denominated in VND. The Fund is not exposed to foreign currency risk, because the Fund does not hold any assets nor liabilities denominated in foreign currency as at 30 June 2017.

19.3 *Credit risk*

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation. These credit exposures exist within financing relationships including deposits with banks and other financial instruments.

The Fund's balances of deposits and certificates of deposits are mainly maintained with well-known banks and financial institutions in Vietnam. Credit risk from balances with banks and financial institutions is managed by the Fund's Investment management department in accordance with the Fund's policy. The Fund evaluates the concentration of credit risk in respect to these investments is too low.

It is the Fund's policy to enter into financial instruments with reputable counterparties.

The Investment management department closely monitors the credit worthiness of the Fund's counterparties (e.g., brokers, custodian, banks, etc.) by reviewing their financial position, settlement ability of counter parties, financial statements and public information.

19.4 *Liquidity risk*

The liquidity risk is the risk that the Fund will encounter difficulty in meeting financial obligations due to shortage of capital. The Fund's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and financial liabilities.

The Fund invests primarily in securities market and other financial instruments, which are under normal market conditions, are easily convertible to cash. The Fund monitors liquidity risk by maintaining sufficient amount of cash and cash equivalents for the Fund's operation and to mitigate the effect of fluctuations in cash flows.

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20.

SUPPLEMENTARY DISCLOSURE OF FINANCIAL ASSETS AND LIABILITIES

The carrying amount and fair value of financial instruments of the Fund as at 30 June 2017 and 31 December 2016 are presented as follows:

	30 June 2017		31 December 2016	
	Carrying amount VND	Fair value VND	Carrying amount VND	Fair value VND
Financial assets				
Cash and cash equivalents				
- Cash at banks	25,837,921,082	25,837,921,082	823,833,444	823,833,444
- Deposits with terms less than three (3) months	29,500,000,000	29,500,000,000	74,700,000,000	74,700,000,000
Investments				
- Government bonds	160,680,500,000	160,680,500,000	-	-
- Certificates of deposits	102,168,069,563	102,168,069,563	26,000,000,000	26,000,000,000
Receivables	5,982,951,330	5,982,951,330	971,947,221	971,947,221
Total	324,169,441,975	324,169,441,975	102,495,780,665	102,495,780,665
Financial liabilities				
Transfer agent fee payables	418,520,349	418,520,349	3,516,000	3,516,000
Fund management services payables	306,220,770	306,220,770	186,198,280	186,198,280
Payable to investors relating to purchasing fund units	2,590,050,000	2,590,050,000	-	-
Payables to investors relating to repurchasing fund units	102,772,217	102,772,217	-	-
Other payables	122,639,509	122,639,509	102,780,100	102,780,100
Total	3,540,202,845	3,540,202,845	292,494,380	292,494,380

The fair values of the financial assets and liabilities represent the amounts at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced sales or liquidation.

The following methods and assumptions are being used to estimate the fair values:

- Fair values of cash and cash equivalents, receivables and payables to fund units distribution agents, accrued expense, fund management fee payables approximate their book values due mainly to the short-term maturities of these instruments.
- Fair value of listed Government bonds is re-valued using the valuation method stated in Note 3.2.
- Fair value of certificates of deposits is calculated by purchase price plus accrued interest receivables as at the date prior to the valuation date.

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21. RELATED PARTIES AND OTHER KEY CONTRACTS

21.1 Related parties

a) *The Fund Management Company*

According to the Fund Charter, the Fund Management Company is entitled to the management fee. The management fee is monthly calculated by 0.9% of the Fund's NAV in the period.

	<i>For the six-month period ended 30 June 2017 VND</i>	<i>For the six-month period ended 30 June 2016 VND</i>
Fund management fee	791,537,757	434,017,981

b) *Remunerations of the Board of Representatives*

Other than the remunerations, there are no other transactions or contracts to which the Fund and any member of the Board of Representatives is a party to where a member of Board of Representatives has a material interest. Remunerations of the Board of Representatives are recognized as expenses of the Fund.

	<i>For the six-month period ended 30 June 2017 VND</i>	<i>For the six-month period ended 30 June 2016 VND</i>
Remunerations of the Board of Representatives	57,963,021	58,475,407

21.2 Other key contracts

Custodian and Supervisory Bank

The Fund is obliged to pay the Custodian and Supervisory Bank annual supervisory fee equal to 0.04% of the Fund's NAV (the minimum amount was VND15,000,000 per month if the Fund's trading frequency is once a week and the minimum amount of VND18,000,000 per month if the trading frequency of the Fund is daily).

In addition, Standard Chartered Bank (Vietnam) Limited also carries out fund administration service. The Fund has an obligation to pay Standard Chartered Bank (Vietnam) Limited the minimum amount is 0.03% (minimum of VND10,000,000 per month if trading frequency is once a week and minimum of VND15,000,000 per month if trading frequency of the Fund is daily).

Details of service fees in the period are as follows:

	<i>For the six-month period ended 30 June 2017 Standard Chartered Bank VND</i>	<i>For the six-month period ended 30 June 2016 Standard Chartered Bank VND</i>
Supervising fee	99,000,000	99,000,000
Depository fee	90,000,000	90,000,000
Fund administration fee	66,000,000	66,000,000
Transfer agent fee	39,600,000	51,218,877
Bank charges	15,774,000	8,652,600
Transaction fee	1,300,000	900,000

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22. EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events occurred after the balance sheet date which would require adjustments or disclosures to be made in the interim financial statements.

Ms Vuong Thi Tram Anh
Accountant

Mr Nguyen Minh Dang Khanh
Deputy General Director
cum Chief Financial Officer



Mr Tran Thanh Tan
Chief Executive Officer

Ho Chi Minh City, Vietnam

10 August 2017

