

THE SOCIALIST REPUBLIC OF VIETNAM

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Hanoi, 15th March 2018

SUPERVISORY REPORT FOR EXCHANGE TRADED FUND

ETF VFMVN30 (VFMVN30)

YEAR 2017

To:

- The General Meeting of Investors of ETF VFMVN30
- The Board of Representatives
- Vietnam Investment Fund Management Joint Stock Company

Standard Chartered Bank (Vietnam) Ltd would like to report to the General annual meeting of Investors in terms of our provision of custody and supervisory services to the Fund as follows:

1. General information of the Fund:

Fund name : VFMVN30 ETF FUND
 Abbreviation name : VFMVN30
 Fund license : 14/GCN-UBCK issued by State Securities Commission dated 18 September 2014
 Head office : Room 1701-04, 17th Floor, Me Linh Point
 2 Ngo Duc Ke Street, District 1
 Ho Chi Minh City, Vietnam.

According to the audited report for the period from 01st Jan 2017 to 31st December 2017, the movements in share capital issued to the Fund's unit holders are detailed as follows:

	Unit	As at 31.12.2016 VND	Incurred during the period VND	As at 31.12.2017 VND
Subscription capital				
Number of Fund unit	Fund unit	63,400,000	144,900,000	208,300,000
Subscription capital at par value	VND	634,000,000,000	1,449,000,000,000	2,083,000,000,000
Share premium of subscription capital	VND	(9,684,583,430)	555,054,372,673	545,369,789,243
Total subscription capital	VND	624,315,416,570	2,004,054,372,673	2,628,369,789,243
Redemption capital				
Number of Fund unit	Fund unit	(21,200,000)	(16,400,000)	(37,600,000)
Redemption capital at par value	VND	(212,000,000,000)	(164,000,000,000)	(376,000,000,000)
Share premium of redemption capital	VND	2,239,786,733	(44,597,105,293)	(42,357,318,560)
Total redemption capital	VND	(209,760,213,267)	(208,597,105,293)	(418,357,318,560)
Number of outstanding Fund units	Fund unit	42,200,000	128,500,000	170,700,000
Total share capital at par value	VND	422,000,000,000	1,285,000,000,000	1,707,000,000,000
Share premium	VND	(7,444,796,697)	510,457,267,380	503,012,470,683
Retained profit	VND	14,892,657,290	524,239,460,994	539,132,118,284
NAV	VND	429,447,860,593		2,749,144,588,967
NAV per Fund units	VND/ Fund unit	10,176.48		16,105.12
NAV per creation units	Fund unit	1,017,648,959		1,610,512,354

Detail of financial information of the Fund, please refer to the audited reports of the Fund.

Standard Chartered Bank (Vietnam) Limited

Head Office

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2. Report on the management of Vietnam Investment Fund Management Joint Stock Company (“VFM”) for ETF VFMVN30 (“VFMVN30”)

From 01st January 2017 to 31st December 2017, VFM had fulfilled all responsibilities in preparation of reports as regulated by State Securities Commission, as well as provided all supporting documents relating to the Fund’s transactions to the Supervisory Bank.

As the Supervisory Bank of VFMVN30, we recognized the following items:

- On 05th May 2017, VFM held Board of Representative (“BOR”) meeting Quarter I 2017. In this meeting, the Fund’s BOR approved the following items:
 - Operation report of the Fund in Quarter I 2017;
 - Operation plan of the Fund in Quarter II 2017;
 - Risk management operation report in Quarter I 2017;
 - The amendment of the Fund’s valuation manual.
- On 18th July 2017, VFM held BOR meeting Quarter II 2017. In this meeting, the Fund’s BOR approved the following items:
 - Operation report of the Fund in Quarter II 2017;
 - Operation plan of the Fund in Quarter III 2017;
 - Risk management operation report in Quarter II 2017;
 - The mechanism of put-through investment transactions up to July 2018;
 - The appointment of KPMG as the Fund’s audit company for 2017.
- On 19th October 2017, VFM held BOR meeting Quarter III 2017. In this meeting, the Fund’s BOR approved the following items:
 - Operation report of the Fund in Quarter III 2017;
 - Operation plan of the Fund in Quarter IV 2017;
 - Risk management operation report in Quarter III 2017;
 - Budgets for annual reports and for the organization of Annual General Meeting (AGM) in 2017.
- On 05th February 2018, VFM held BOR meeting Quarter IV 2017. In this meeting, the Fund’s BOR approved the following items:
 - Operation report of the Fund in Quarter IV and in 2017;
 - Operation plan of the Fund in 2018;
 - Risk management operation report for Quarter IV;
 - BOR’s operation expenses in 2017 and its budget in 2018;
 - Updates of the expenses for annual reports and for the organization of AGM in 2018; the voting method of AGM in writing;

3. Implementation of rights and obligations of Supervisory Bank

Appointed as the Supervisory Bank of ETF VFMVN30, the Bank has fulfilled our responsibilities in relation to custody, fund administration and registration services, with details as follows:

- Safekeep and custody the Fund Assets, custody listed securities of the Fund, simultaneously maintain records showing that the Fund Assets belong to the Fund and segregated from any other assets;
- Handle duly instructions of the Fund Management Company regarding Fund’s transactions in a timely manner;
- Check and verify reports in relation to Fund assets prepared by the Fund Management Company with accuracy and professionalism and fulfill reporting obligations to competent authorities in accordance with applicable laws and regulations;



- Monitor compliance check on fund transactions carried out by the Fund Management Company for ensuring the compliance with the Fund Charter and applicable laws and regulations with due care and diligence;

The Supervisory Report on the operations of the Fund is based on the information, document and data provided by VFM to the Supervisory Bank. This report does not include the issues and affairs which are not in the knowledge of the Supervisory Bank due to the unfaithful information or concealment/deceit of the VFM.

Yours truly,

Hanoi, 15th March 2018



Vu Huong Giang

Senior Manager, Securities Services Operations

