

PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

**FINANCIAL STATEMENTS
FOR THE PERIOD FROM 28 APRIL 2021 (THE FIRST TRADE DATE)
TO 31 DECEMBER 2021**



PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

FINANCIAL STATEMENTS FOR THE PERIOD FROM 28 APRIL 2021 (THE FIRST TRADE DATE) TO 31 DECEMBER 2021

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PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

GENERAL INFORMATION OF THE FUND

Fund Management Company	Dragon Capital VietFund Management Joint Stock Company, with the Certificate of eligibility to provide voluntary supplementary pension fund management services No. 01/GCN-QLQHTBSTN issued by the Ministry of Finance on 15 May 2019	
Board of Representatives	Mr. Tran Dac Sinh	Chairman
	Mr. Vo Tan Hoang Van	Member
	Mr. Nguyen Hoang Khanh	Member
Supervising Bank	Standard Chartered Bank (Vietnam) Limited	
Registered Office	15th Floor, Me Linh Point Tower, No. 02, Ngo Duc Ke Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	
Auditor	PwC (Vietnam) Limited	

PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

STATEMENT OF RESPONSIBILITY OF THE FUND MANAGEMENT COMPANY IN RESPECT OF THE FINANCIAL STATEMENTS

Management of Dragon Capital VietFund Management Joint Stock Company (“the Fund Management Company”) is responsible for preparing the financial statements which give a true and fair view of the financial position and investment portfolio of Phuc An Voluntary Supplemental Pension Fund (“the Fund”) as at 31 December 2021 and the results of its operations, changes in net asset value, subscriptions and redemptions of fund certificates and cash flows for the period from 28 April 2021 (the first trade date) to 31 December 2021. In preparing these financial statements, management of the Fund Management Company is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Fund will continue in business.

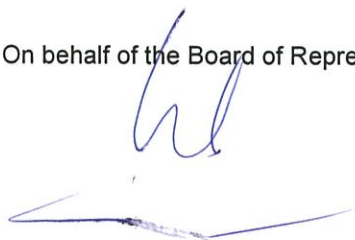
Management of the Fund Management Company is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position and the investment portfolio of the Fund and which enable the financial statements to be prepared which comply with the basis of accounting set out in Note 4 to the financial statements. Management of the Fund Management Company is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud or errors.

PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements which give a true and fair view of the financial position and the investment portfolio of the Fund as at 31 December 2021 and of the results of its operations, changes in net asset value, subscriptions and redemptions of fund certificates and cash flows for the period from 28 April 2021 (the first trade date) to 31 December 2021 in accordance with Vietnamese Accounting Standards, the Accounting System stipulated in Circular 198/2012/TT-BTC issued by the Ministry of Finance on 15 November 2012, Circular 98/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020 and prevailing regulations on preparation and presentation of financial statements applicable to voluntary supplemental pension funds.

On behalf of the Board of Representatives



Tran Dac Sinh
Chairman
Ho Chi Minh City, Vietnam
15 March 2022



INDEPENDENT AUDITOR'S REPORT TO THE PARTICIPANTS OF PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

We have audited the accompanying financial statements of Phuc An Voluntary Supplemental Pension Fund ("the Fund") which were prepared on 31 December 2021 and approved by the Board of Representatives on 15 March 2022. The financial statements comprise the statement of income, the statement of changes in net asset value, subscriptions and redemptions of fund certificates, and the statement of cash flows for the period from 28 April 2021 (the first trade date) to 31 December 2021, the statement of financial position and the statement of investment portfolio as at 31 December 2021, and explanatory notes to the financial statements including significant accounting policies, as set out on pages 6 to 35.

Responsibility of management of Dragon Capital VietFund Management Joint Stock Company ("the Fund Management Company")

Management of the Fund Management Company is responsible for the preparation and the true and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Accounting System stipulated in Circular 198/2012/TT-BTC issued by the Ministry of Finance on 15 November 2012, Circular 98/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020 and prevailing regulations on preparation and presentation of financial statements applicable to voluntary supplemental pension funds and for such internal control which management determines as necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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



Auditor's Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position and the investment portfolio of the Fund as at 31 December 2021 and the results of its operations, changes in net asset value, subscriptions and redemptions of fund certificates and cash flows for the period from 28 April 2021 (the first trade date) to 31 December 2021 in accordance with Vietnamese Accounting Standards, the Accounting System stipulated in Circular 198/2012/TT-BTC issued by the Ministry of Finance on 15 November 2012, Circular 98/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020 and prevailing regulations on preparation and presentation of financial statements applicable to voluntary supplementary pension funds.

Other Matter

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Nguyen Hoang Nam
Audit Practising Licence No.
0849-2018-006-1
Authorised signatory



Doan Tran Phuong Thao
Audit Practising Licence No.
4701-2019-006-1

Report reference number: HCM11538
Ho Chi Minh City, 15 March 2022

PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

Form B 01 – QM

STATEMENT OF INCOME

			For the period from 28/04/2021 to 31/12/2021
Code	Item	Note	VND
01	I. INVESTMENT PROFIT AND OPERATING INCOME		2,981,351,362
03	1.1. Interest income	5.1	204,584,965
04	1.2. Realised gain from disposal of investments	5.2	536,523,930
05	1.3. Unrealised gain from revaluation of investments	5.3	2,240,242,467
10	II. INVESTMENT EXPENSES		(75,885,452)
11	2.1. Transaction costs from purchases and sales of investments	5.4	(2,333,381)
15	2.2. Other investment expenses	8(a)(i)	(73,552,071)
20	III. OPERATING EXPENSES		(393,107,162)
20.1	3.1. Fund management fee	8(a)(i)	(90,765,945)
20.2	3.2. Custodian fees	5.5	(115,000)
20.5	3.3. Transfer agency fee		(133,650,000)
20.8	3.4. Audit fee		(89,100,000)
20.10	3.5. Other operating expenses	5.6	(79,476,217)
23	IV. PROFIT FROM INVESTMENT ACTIVITIES		2,512,358,748

The notes on pages 14 to 35 are an integral part of these financial statements.

PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

Form B 01 – QM

STATEMENT OF INCOME
(continued)

Code	Item	Note	For the period from 28/04/2021 to 31/12/2021
			VND
24	V. NET OTHER INCOME		-
30	VI. PROFIT BEFORE INCOME TAX		2,512,358,748
31	6.1. Realised profit	6.8	272,116,281
32	6.2. Unrealised profit	6.8	2,240,242,467
40	VII. INCOME TAX		-
41	VIII. PROFIT AFTER TAX		2,512,358,748



Dragon Capital VietFund Management
Joint Stock Company
Beat Schurch
Chief Executive Officer
15 March 2022

Dragon Capital VietFund Management
Joint Stock Company
Nguyen Kieu Truc Ly
Fund Accountant
15 March 2022

Dragon Capital VietFund Management
Joint Stock Company
Pham Thanh Dung
Chief Accountant
15 March 2022

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PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

Form B 02 – QM

STATEMENT OF FINANCIAL POSITION

				As at 31/12/2021 VND
Code	Item	Note		
100	I. ASSETS			
110	1. Cash at bank and cash equivalents	6.1		220,645,187
	In which:			
111	1.1. <i>Cash at bank for Fund's operations</i>			220,645,187
120	2. Net investments			30,045,806,923
121	2.1. <i>Investments</i>	6.2		30,045,806,923
130	3. Receivables			640,582,192
133	3.2. <i>Interest receivables</i>			640,582,192
136	3.2.2 <i>Interest receivables not yet due</i>	6.3		640,582,192
100	TOTAL ASSETS			30,907,034,302
300	II. LIABILITIES			
313	3. Payables to fund certificate distributors			1,563,694
316	6. Accrued expenses	6.4		101,135,617
317	7. Subscription payables to fund participants	6.5		71,000,000
319	9. Fees payable to fund service providers	6.6		37,367,812
300	TOTAL LIABILITIES			211,067,123

The notes on pages 14 to 35 are an integral part of these financial statements.

PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

Form B 02 – QM

STATEMENT OF FINANCIAL POSITION
(continued)

Code	Item	Note	As at
			31/12/2021 VND
400	III. NET ASSET VALUE DISTRIBUTABLE TO FUND PARTICIPANTS	6.7	30,695,967,179
411	1. Share capital		28,191,584,600
412	1.1. Issued capital	6.7	29,719,759,000
413	1.2. Redeemed capital	6.7	(1,528,174,400)
414	2. Share premium		(7,976,169)
420	3. Undistributed profits	6.8	2,512,358,748
430	IV. NET ASSET VALUE PER FUND CERTIFICATE		10,888.34
440	V. DISTRIBUTED EARNINGS TO FUND PARTICIPANTS		-
	VI. OFF STATEMENT OF FINANCIAL POSITION ITEM		
004	4. Number of outstanding fund certificates (units)		2,819,158.46



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PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

Form B 03 – QM

STATEMENT OF CHANGES IN NET ASSET VALUE,
SUBSCRIPTIONS AND REDEMPTIONS OF FUND CERTIFICATES

For the period
from 28/04/2021
to 31/12/2021

No.	Item	VND
I	Net asset value (“NAV”) at the first trade date	24,149,247,390
II	Changes in NAV for the period	2,512,358,748
	<i>In which:</i>	
II.1	Changes in NAV due to market fluctuation and the Fund's operations	2,512,358,748
III	Changes in NAV due to subscriptions and redemptions of fund certificates	4,034,361,041
	<i>In which:</i>	
III.1	Receipts from subscriptions	5,621,353,000
III.2	Payments for redemptions	(1,586,991,959)
IV	NAV at 31/12/2021	30,695,967,179
V	NAV per fund certificate at 31/12/2021	10,888.34



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PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

Form B 04 – QM

STATEMENT OF INVESTMENT PORTFOLIO AS AT 31 DECEMBER 2021

No.	Item	Quantity	Market price as at 31/12/2021 VND	Total value VND	Percentage of total assets %
I	Unlisted certificates of securities investment funds			15,127,556,923	48.95%
1	DCDS	72,273.70	78,132.88	5,646,952,329	18.27%
2	DCBC	158,664.40	30,018.40	4,762,851,425	15.41%
3	DCBF	211,844.00	22,269.94	4,717,753,169	15.27%
II	Government bonds			14,918,250,000	48.27%
1	TD1424092	125,000	119,346	14,918,250,000	48.27%
III	Other assets			640,582,192	2.07%
1	Net dividend and interest receivables			640,582,192	2.07%
IV	Cash			220,645,187	0.71%
1	Cash at banks			220,645,187	0.71%
V	Total value of portfolio			30,907,034,302	100.00%



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PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

Form B 05 – QM

STATEMENT OF CASH FLOWS
(Indirect method)

			For the period from 28/04/2021 to 31/12/2021
Code	Item	Note	VND
	I. Cash flows from investing activities		
01	1. Profit before income tax		2,512,358,748
02	2. Adjustments for:		(2,151,142,467)
03	Unrealised gain from revaluation of investments	5.3	(2,240,242,467)
04	Accrued expenses		89,100,000
05	3. Profit from investing activities before changes in working capital		361,216,281
20	Increase in investments		(27,805,564,456)
7	Increase in interest receivables		(640,582,192)
11	Increase in subscription and redemption fees payable to fund certificate distributors		1,563,694
14	Decrease in subscription payable to fund participants		(1,990,250,000)
16	Increase in other payables		12,035,617
17	Increase in fees payable to fund service providers		37,367,812
19	Net cash outflow for investing activities		(30,024,213,244)
	II. Cash flows from financing activities		
31	1. Receipts from subscriptions	6.7	5,621,353,000
32	2. Payments for redemptions	6.7	(1,586,991,959)
30	Net cash inflow from financing activities		4,034,361,041
40	III. Net decrease in cash and cash equivalents in the period		(25,989,852,203)

The notes on pages 14 to 35 are an integral part of these financial statements.

PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

Form B 05 – QM

STATEMENT OF CASH FLOWS (continued)
(Indirect method)

For the period
from 28/04/2021
to 31/12/2021

Code	Item	Note	VND
50	IV. Cash and cash equivalents at the first trade date		26,210,497,390
53	Cash at bank for subscriptions and redemptions		26,210,497,390
55	V. Cash and cash equivalents at 31/12/2021	6.1	220,645,187
57	Cash at bank and cash equivalents for the Fund's operations		151,645,187
58	Cash at bank for subscriptions and redemptions		69,000,000
60	VI. Changes in cash and cash equivalents in the period		(25,989,852,203)



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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 28 APRIL 2021 (THE FIRST TRADE DATE)
TO 31 DECEMBER 2021**

1 GENERAL INFORMATION OF PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

1.1 General information

Phuc An Voluntary Supplemental Pension Fund (the “Fund”) is a voluntary supplementary pension fund in the “Dragon Capital Huu Tri An Vui” pension program raised and managed by Dragon Capital VietFund Management Joint Stock Company (the “Fund Management Company”).

The Fund operates in accordance with Decree 88/2016/ND-CP issued by the Government on 1 July 2016 governing voluntary supplementary pension programs, Circular 86/2017/TT-BTC issued by the Ministry of Finance on 15 August 2017, prevailing regulations applicable to voluntary supplementary pension funds and the Fund Charter.

The Fund Management Company was licensed to provide voluntary supplementary pension fund management services according to its certificate No. 01/GCN-QLQHTBSTN issued by the Ministry of Finance on 15 May 2019.

Standard Chartered Bank (Vietnam) Limited (“SCBVN”) has been appointed as the Supervising bank and Custodian bank of the Fund.

1.2 General information of the Fund's operations

Size of the Fund

The Fund's capital is based on the actual contribution of the fund participants presented in Note 6.7.

Investment objective and investment restrictions

The Fund's investment objective is to achieve a balance between capital appreciation for retirement saving purpose and wealth protection.

The Fund shall allocate its investment into the following types of assets:

- a) Deposits at commercial banks that satisfy all conditions set out in the Fund's investment strategy;
- b) Government bonds, Government-guaranteed bonds, municipal bonds; and
- c) Certificates of securities investment funds that satisfy conditions set out in the Fund's investment strategy.

The Fund's target asset allocation comprises:

- (i) A maximum of 35% of total assets invested in certificates of non-bond securities investment funds;
- (ii) A minimum of 65% of total assets invested in Government bonds or certificates of bond investment funds, of which at least 50% of total assets invested in Government bonds; and
- (iii) Cash and bank deposits at necessary level for the Fund's investment activities.

The Fund's investment portfolio follows the investment objectives and investment strategy as stipulated in the Fund's Charter and Prospectus.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 28 APRIL 2021 (THE FIRST TRADE DATE)
TO 31 DECEMBER 2021**

**1 GENERAL INFORMATION OF PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND
(continued)**

1.2 General information of the Fund's operations (continued)

Frequency of net asset value determination

The Fund's net asset value is determined according to its frequency of subscriptions and redemptions of fund certificates and on a quarterly basis as at the first business day of the following quarter.

Method to determine net asset value

The Fund's net asset value is calculated at total assets less total liabilities. Total value of the Fund's assets is measured at their market value or fair value at the date prior to the valuation date. Total liabilities are debts or obligations of the Fund as at the date prior to the valuation date.

Net asset value per fund certificate is calculated by dividing the total net asset value of the Fund by the number of outstanding fund certificates at the trade date prior to the valuation date, which shall be rounded down to two (02) decimal places.

Frequency of subscriptions and redemptions of fund certificates

The fund certificates are subscribed and redeemed twice per month on the second Wednesday and the fourth Wednesday which are business days ("the trade date"). If the trade date falls on holiday, the transaction is carried to the business day right after the trade date falling on holiday as notified by the Fund Management Company. Frequency of subscriptions and redemptions of fund certificates shall not be less than once per month.

Distribution of earnings

The Fund does not have a plan of annual profit distribution.

2 FISCAL YEAR AND CURRENCY

2.1 Fiscal year

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

The Fund's first fiscal year starts on 28 April 2021 (the first trade date) and ends on 31 December 2021.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 28 APRIL 2021 (THE FIRST TRADE DATE)
TO 31 DECEMBER 2021**

2 FISCAL YEAR AND CURRENCY (continued)

2.2 Currency

The financial statements are presented in Vietnamese Dong (“VND”) which is also the Fund’s accounting currency.

The Fund’s accounting currency is determined as the currency primarily used in securities trading which significant influences transacted prices and settled amounts. In addition, the Fund’s financing activities such as subscriptions and redemptions of fund certificates are also denominated in its accounting currency.

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction dates. Foreign exchange differences arising from these transactions are recognised in the statement of income.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are respectively translated at the buying and selling exchange rates at the date before the valuation date (i.e., the reporting date) quoted by the commercial bank where the Fund regularly trades. Foreign exchange differences arising from these translations are recognised in the statement of income.

3 ACCOUNTING STANDARDS AND REPORTING FRAMEWORK APPLIED

3.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Accounting System stipulated in Circular 198/2012/TT-BTC issued by the Ministry of Finance on 15 November 2012, Circular 98/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020 and prevailing regulations on preparation and presentation of financial statements applicable to voluntary supplementary pension funds.

The accompanying financial statements are not intended to present financial position and investment portfolio, results of operations, changes in net asset value, subscriptions and redemptions of fund certificates and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The financial statements in Vietnamese language are the official statutory financial statements of the Fund. The financial statements in the English language have been translated from the Vietnamese language financial statements.

In accordance with Circular 198/2012/TT-BTC, the Fund’s financial statements include the following reports:

1. Statement of income
2. Statement of financial position
3. Statement of changes in net asset value, subscriptions and redemptions of fund certificates
4. Statement of investment portfolio
5. Statement of cash flows
6. Notes to the financial statements

3.2 Registered accounting documentation system

The registered accounting documentation system is the general journal system.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 28 APRIL 2021 (THE FIRST TRADE DATE)
TO 31 DECEMBER 2021**

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank in current accounts used for the Fund's operations and payment to fund participants for redemption of fund certificates, cash of fund participants deposited for subscription of fund certificates, cash at bank in escrow account for the initial subscription of the fund certificates and other short-term investments with a maturity of less than three (03) months, which are readily convertible to cash and subject to an insignificant risk of conversion.

4.2 Investments

Classification

The Fund classifies its investments in securities as held for trading.

Recognition/de-recognition

Purchases and sales of investments are recognised at trade date. Investments are derecognised when the right to receive cash flows from the investments has expired or the Fund has transferred substantially all risks and rewards of ownership of the investments.

The cost of securities classified as held for trading is determined using the weighted average method.

Initial recognition

Investments are initially recognised at the cost of acquisition and revalued as at the reporting date in accordance with Circular 198/2012/TT-BTC. Valuation is determined in accordance with Circular 98/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020 and the Fund's Charter.

Bonus issues and share dividends are initially recorded as investments at nil cost and then are revalued at the market value of the relevant securities as at the reporting date.

Subsequent measurement

(a) Bonds listed on securities exchanges

These bonds are revalued based on the weighted average of the quoted prices for outright transactions on the platform of stock exchanges, or other name according to regulations of stock exchanges, at the latest trade date with transactions preceding the valuation date plus accumulated accrued interest (if the quoted price is not included accumulated interest).

In either case below:

- (i) These bonds are not traded on stock exchanges for more than 15 days to the valuation date; or
- (ii) Quoted price of these bonds on stock exchanges are fluctuated significantly as specified in the Fund's valuation manual

Bonds in case (i) and (ii) revalued at the purchase price plus accumulated accrued interest.

Accrued interest is accounted as receivables in the statement of financial position and the statement of investment portfolio at the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 28 APRIL 2021 (THE FIRST TRADE DATE)
TO 31 DECEMBER 2021**

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Investments (continued)

Subsequent measurement (continued)

(b) Listed public fund certificates

These fund certificates are revalued at the closing prices (or other name according to regulations of stock exchanges) of the latest trade date with transactions preceding the valuation date.

Where shares are not traded for more than 15 days to the valuation date, they are revalued in the following order of priority:

- The closing price (or other name according to regulations of stock exchanges) of the latest trade date with transactions within ninety (90) days prior to the valuation date;
- Purchase price;
- Book value;
- The price determined based on the valuation techniques approved by the Board of Representatives.

(c) Unlisted public fund certificates

Unlisted public fund certificates are revalued at their net asset value per certificate at their latest valuation date preceding the Fund's valuation date.

(d) Term deposits

Term deposits are measured at principal amounts plus accrued interest as of the date prior to the valuation date.

Accrued interest is accounted as receivables in the statement of financial position and the statement of investment portfolio at the reporting date.

Gains or losses from revaluation of investments

Gains or losses from revaluation of investments are recognised in the statement of income in accordance with Circular 198/2012/TT-BTC.

4.3 Receivables

Receivables represent amounts receivable from securities trading, accrued interest from bonds, accrued interest from bank deposits and other receivables, and are stated at cost.

Provision for doubtful debts is made for each outstanding amount based on number of days past due according to initial payment commitment (ignoring any mutually agreed extension) or based on the estimated loss that may arise. Bad debts are written off when identified and approved in the General Meeting of fund participants.

Increase in provision for overdue receivables from investments sold but not yet settled is recorded as an expense in the statement of income.

Increase in provision for overdue bond interest, term deposit interest and other receivables are recorded as a reduction of income in the statement of income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 28 APRIL 2021 (THE FIRST TRADE DATE)
TO 31 DECEMBER 2021**

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.4 Payables

Payables presented in the statement of financial position are carried at cost of the redemption payables, payables for securities trading, remuneration payable to the Board of Representatives, payables to the Fund Management Company and the Supervising Bank and other payables.

4.5 Taxation

Under the applicable Vietnamese tax regulations, the Fund does not fall within the definition of a taxpayer for corporate income tax purposes.

Tax of fund participants

Subject to contributions into the Fund, the maximum relief for personal income tax purposes of employee/individual participants and the maximum deductible expense for corporate income tax purposes of corporate employer participants are VND1,000,000/person/month and VND3,000,000/person/month respectively.

When the fund participants withdraw from the Fund before retirement or receive a one-off payment, the fund participants may be required to pay a certain amount of personal income tax according to prevailing tax regulations.

Before making payments to the fund participants, the custodian entity is responsible for withholding personal income tax according to the prevailing regulations.

Monthly payments during retirement period are not taxable for personal income tax purposes.

4.6 Provisions

Provisions are recognised when:

- The Fund has a present legal or constructive obligation as a result of past events;
- It is probable that an outflow of resources will be required to settle the obligation; and
- The amount has been reliably estimated.

Provision is not recognised for future operating losses.

Provisions are measured at the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

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4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.7 Share capital

The fund certificates are classified as equity. Each certificate has a par value of VND10,000.

Numbers of allotted fund certificates are rounded down to two (02) decimal places.

Issued capital

Issued capital represents the fund participants' contributed capital in subscription cycles. Issued capital is recorded as par value.

Redeemed capital

Redeemed capital represents the gross redemption amount paid to fund participants in redemption cycles. Redeemed capital is recorded at par value.

Share premium

Share premium represents the difference between the net asset value per fund certificate and par value per fund certificate in a subscription or redemption.

Undistributed profits/(losses)

Undistributed profits/(losses) represents cumulative undistributed profits/(losses) as at the reporting date including cumulative realised profits/(losses) and cumulative unrealised profits/(losses).

Realised profits/(losses) earned/(incurred) during the period are the difference of total income and revenue after deducted unrealised gains/(losses) from revaluation of investments and total expenses.

Unrealised profits/(losses) incurred during the period are unrealised gains/(losses) from revaluation of investments.

The Fund determines realised profits/(losses) and unrealised profits/(losses) and posts into "Undistributed profits/(losses)" at the end of each reporting period.

Profits/assets distributed to fund participants

These are profits/assets distributed to fund participants during the period and their amounts are deducted against undistributed profits.

The Fund recognises profits/assets distributed to fund participants based on resolutions of the fund participants' General Meetings, in accordance with the Fund Charter and prevailing securities regulations.

Profits is distributed to fund participants by the Fund Management Company after deductions of all taxes and fees in accordance with prevailing laws and regulations.

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4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.8 Revenue and income

Revenue and income is recognised 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 and income is recognised:

Interest income

Interest income from deposits at banks and bonds are recognised in the statement of income on an accrual basis unless collectability is in doubt.

Income from securities trading

Income from securities trading is recognised in the statement of income upon receipt of the trading report from the Vietnam Securities Depository Center which is verified by the Supervising Bank (for listed securities) and completion of the sale agreement (for unlisted securities).

4.9 Expenses

Expenses are recognised on an accrual basis and on prudent basis.

4.10 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Fund, are related parties of the Fund. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Fund that gives them significant influence over the Fund, key management personnel and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering of related party relationship, the Fund considers the substance of the relationship but not merely the legal form.

4.11 Nil items

Items required by Circular 198/2012/TT-BTC that are not presented in these financial statements indicate nil item.

5 ADDITIONAL INFORMATION TO THE STATEMENT OF INCOME

5.1 Interest income

	For the period from 28/04/2021 to 31/12/2021
	VND
Received interest income	201,605,513
Accrued interest income	2,979,452
	<u>204,584,965</u>

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5 ADDITIONAL INFORMATION TO THE STATEMENT OF INCOME (continued)

5.2 Realised gain from disposal of investments

	Total proceeds of disposals VND	Weighted average cost of investments up to the latest trade date VND	Realised gain for the period from 28/04/2021 to 31/12/2021 VND	Cumulative realised gain as at 31/12/2021 VND
Securities				
Unlisted public fund certificates	8,746,431,734	8,209,907,804	536,523,930	536,523,930

5.3 Unrealised gain from revaluation of investments

	Carrying value VND	Market value as at 31/12/2021 VND	Unrealised gain/(loss) from revaluation of investments as at 31/12/2021 VND	Unrealised gain from revaluation of investments as at 28/04/2021	Unrealised gain/(loss) from revaluation of investment for the period from 28/04/2021 to 31/12/2021 VND
Unlisted public fund certificates	12,887,292,196	15,127,556,923	2,240,264,727	-	2,240,264,727
Government bonds	14,918,272,260	14,918,250,000	(22,260)	-	(22,260)
	27,805,564,456	30,045,806,923	2,240,242,467	-	2,240,242,467

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5 ADDITIONAL INFORMATION TO THE STATEMENT OF INCOME (continued)

5.4 Transaction costs from purchases and sales of investments

	For the period from 28/04/2021 to 31/12/2021
	VND
Brokerage fees from purchases	2,333,381

Details of transaction costs by prime broker and fund management company during the period are as follows:

	No.	Company	Relationship with Fund Management Company	Percentage of transaction value at companies				Market average transaction fee rate
				Fund's transaction value through company for the period VND	Fund's total transaction value for the period (*) VND	Percentage of transaction value at company	Average transaction fee rate	
	1	KIS Vietnam Securities Corporation	Not related	15,555,875,000	45,399,506,734	34.26%	0.015%	0.00% - 0.45%
	2	The Fund Management Company - transactions of open-ended fund certificates (**)	Related	29,843,631,734	45,399,506,734	65.74%	0.25%	0.00% - 2.5%
		Total		45,399,506,734		100.00%		

(*) This total transaction value includes transactions of listed securities and unlisted open-ended fund certificates.

(**) The fee rates presented are applied for open-ended funds managed by Dragon Capital VietFund Management Joint Stock Company.

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5 ADDITIONAL INFORMATION TO THE STATEMENT OF INCOME (continued)

5.5 Custodian fees

For the period
from 28/04/2021
to 31/12/2021
VND

Transaction fee (Note 8(a)(ii))	115,000
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5.6 Other operating expenses

For the period
from 28/04/2021
to 31/12/2021
VND

Other operating expenses

Remunerations to the Board of Representatives
(Note 8(a)(iii))
Bank charges

72,385,617
7,090,600

79,476,217

6 ADDITIONAL INFORMATION TO THE STATEMENT OF FINANCIAL POSITION

6.1 Cash at bank and cash equivalents

Cash at bank and cash equivalents represent cash in Vietnamese Dong at the following depositories:

As at
31/12/2021
VND

Cash at bank for the Fund's operations

220,645,187

Cash at bank for the Fund's operations at SCBVN
(Note 8(b))

151,645,187

Cash at bank for subscriptions and redemptions at
SCBVN (Note 8(b))

69,000,000

220,645,187

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6 ADDITIONAL INFORMATION TO THE STATEMENT OF FINANCIAL POSITION (continued)

6.2 Investments

The details of the Fund's investments as at 31 December 2021 are as follows:

	Carrying value VND	Gain/(loss) from revaluation of investments		Market value VND
		Gain VND	Loss VND	
Unlisted public fund certificates	12,887,292,196	2,240,264,727	-	15,127,556,923
Government bonds (*)	14,918,272,260	-	(22,260)	14,918,250,000
	<u>27,805,564,456</u>	<u>2,240,264,727</u>	<u>(22,260)</u>	<u>30,045,806,923</u>

(*) Details of Government bonds by issuer are as follows:

	Start date	Maturity date	Interest per annum	Principal amount VND
TD1424092	31/05/2014	31/05/2024	8.7%	12,500,000,000

Interest rate is fixed at 8.7% per annum throughout the tenure of the bond.

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6 ADDITIONAL INFORMATION TO THE STATEMENT OF FINANCIAL POSITION (continued)

6.3 Interest receivables not yet due

	As at 31/12/2021 VND
Interest receivables from Government bonds	640,582,192

6.4 Accrued expenses

	As at 31/12/2021 VND
Audit fee	89,100,000
Board of Representatives' remunerations (Note 8(b))	12,035,617
	101,135,617

6.5 Subscription and redemption payables to fund participants

Subscription payables to fund participants represents cash received from fund participants for valid subscription and in progress for issuance.

6.6 Fees payable to fund service providers

	As at 31/12/2021 VND
Fund management fee (Note 8(b))	20,752,812
Transaction fee (Note 8(b))	115,000
Transfer agent fee	16,500,000
	37,367,812

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6 ADDITIONAL INFORMATION TO THE STATEMENT OF FINANCIAL POSITION (continued)

6.7 Movements in participants' equity

	Unit	At the first trade date	Incurred for the period	As at 31/12/2021
Issued capital				
Number of fund certificates	Unit	2,414,924.73	557,051.17	2,971,975.90
Issued capital at par value	VND	24,149,247,300	5,570,511,700	29,719,759,000
Share premium of issued capital	VND	90	50,841,300	50,841,390
Total issued capital	VND	24,149,247,390	5,621,353,000	29,770,600,390
Redeemed capital				
Number of fund certificates	Unit	-	(152,817.44)	(152,817.44)
Redeemed capital at par value	VND	-	(1,528,174,400)	(1,528,174,400)
Share premium of redeemed capital	VND	-	(58,817,559)	(58,817,559)
Total redeemed capital	VND	-	(1,586,991,959)	(1,586,991,959)
Total contribution capital	VND	24,149,247,390	4,034,361,041	28,183,608,431
Undistributed profits	VND	-	2,512,358,748	2,512,358,748
Net asset value	VND	24,149,247,390		30,695,967,179
Number of outstanding fund certificates	Unit	2,414,924.73		2,819,158.46
Net asset value per fund certificate	VND/Unit	10,000.00		10,888.34

6.8 Accumulated profits

	At the first trade date VND	Incurred for the period VND	As at 31/12/2021 VND
Realised gains	-	272,116,281	272,116,281
Unrealised gains	-	2,240,242,467	2,240,242,467
Undistributed profits	-	2,512,358,748	2,512,358,748

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TO 31 DECEMBER 2021

7 NET ASSET VALUE (“NAV”)

For the period from 28 April 2021 to 31 December 2021					
No.	NAV calculation date	NAV VND	Quantity of fund certificates	NAV per fund certificate at calculation date VND	Increase/ (Decrease) of NAV per fund certificate VND
1	28/04/2021	24,149,247,390	2,414,924.73	10,000.00	
2	11/05/2021	24,269,689,778	2,414,924.73	10,049.87	49.87
3	25/05/2021	29,801,589,610	2,929,394.36	10,173.29	123.42
4	08/06/2021	29,255,917,436	2,825,225.33	10,355.25	181.96
5	22/06/2021	29,410,179,185	2,831,212.56	10,387.83	32.58
6	30/06/2021	29,728,062,722	2,830,633.15	10,502.26	114.43
7	13/07/2021	29,034,806,420	2,830,633.15	10,257.35	(244.91)
8	27/07/2021	29,001,370,217	2,836,677.53	10,223.71	(33.64)
9	10/08/2021	29,942,744,762	2,836,677.53	10,555.56	331.85
10	24/08/2021	29,568,703,114	2,842,645.93	10,401.82	(153.74)
11	07/09/2021	30,002,952,343	2,842,838.20	10,553.87	152.05
12	21/09/2021	30,259,017,526	2,848,712.80	10,621.99	68.12
13	30/09/2021	30,198,587,317	2,848,806.94	10,600.43	(21.56)
14	12/10/2021	30,719,775,499	2,848,806.94	10,783.38	182.95
15	26/10/2021	30,619,200,047	2,854,556.51	10,726.42	(56.96)
16	09/11/2021	31,165,449,517	2,854,556.51	10,917.79	191.37
17	23/11/2021	31,014,676,541	2,860,235.29	10,843.40	(74.39)
18	07/12/2021	30,156,792,014	2,812,350.73	10,722.98	(120.42)
19	21/12/2021	30,647,950,124	2,819,158.46	10,871.31	148.33
20	31/12/2021	30,695,967,179	2,819,158.46	10,888.34	17.03
Average NAV of the period			29,735,034,274		
Changes in NAV per fund certificate during the period - highest level					331.85
Changes in NAV per fund certificate during the period - lowest level					17.03

8 RELATED PARTIES DISCLOSURES

(a) Transactions with related parties

The following transactions were carried out with related parties in the period:

(i) The Fund Management Company

	For the period from 28/04/2021 to 31/12/2021 VND
Fund management fee	90,765,945
Redemption fee payable	73,552,071

The fund management fee is calculated based on the actual number of days in the valuation period and net asset of the Fund at the date prior to the valuation date. Total fund management fee per annum does not exceed 1.3% of the Fund's net asset value. The Fund Management Company does not charge management fee on assets that the Fund invests in other funds managed by the Fund Management Company.

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8 RELATED PARTIES TRANSACTIONS (continued)

(a) Transactions with related parties (continued)

(ii) *The Supervising and Custodian Bank*

	For the period from 28/04/2021 to 31/12/2021
	VND
Safe keeping fee (*)	-
Supervising fee (*)	-
Fund administration fee (*)	-
Transaction fee	115,000
Bank charges	7,090,600
Interest income	1,694,086
	<u>1,809,686</u>

(*) According to Fund charter, these fees are free during first thirty six (36) months since the first trade date.

(iii) *Board of Representatives*

	For the period from 28/04/2021 to 31/12/2021
	VND
Board of Representatives' remunerations (Note 5.6)	72,385,617
	<u>72,385,617</u>

Other than the above-mentioned remunerations, there is no other contract to which the Fund and any member of the Board of Representatives are parties to where a member of the Board of Representatives has a material interest. Remuneration and related expenses to members of the Board of Representatives are recognised as expenses of the Fund in the statement of income.

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8 RELATED PARTIES TRANSACTIONS (continued)

(b) Balances with related parties

As at 31 December 2021, the Fund had the following balances with related parties:

	As at 31/12/2021 VND
Dragon Capital VietFund Management Joint Stock Company	
Fund management fee payable (Note 6.6)	20,752,812
Standard Chartered Bank (Vietnam) Limited	
Cash at bank for the Fund's operations (Note 6.1)	151,645,187
Cash at bank for the Fund's subscription and redemption (Note 6.1)	69,000,000
Transaction fee payable (Note 6.6)	115,000
Board of Representatives	
Accrued Board of Representatives' remunerations (Note 6.4)	12,035,617

9 THE FUND'S PERFORMANCE INDICATORS

	For the period from 28/04/2021 to 31/12/2021
1 Operation expenses/Average net asset value during the period (*)	2.32%
2 Turnover of investment portfolio during the period = (Total value of purchase transactions + total value of sales transactions)/2/Average net asset value during the period (*)	110.78%

(*) These ratios have been annualised by dividing by the number of actual days in operation (from the first trade date) and multiplying by 365.

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10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE

On 6 November 2009, the Vietnamese Ministry of Finance issued Circular 210/2009/TT-BTC providing guidance on the application of International Accounting Standards regarding the presentation and disclosure of financial instruments ("Circular 210/2009/TT-BTC"), which is applicable for financial statements whose year ends at or after 1 January 2011. Circular 210/2009/TT-BTC provides definitions of financial instruments, classification, presentation and disclosure including financial risk management policies and fair value of financial instruments.

The Fund has exposure to the following risks from financial instruments:

Credit risk
Liquidity risk
Market risk

The Fund's investment portfolio comprises unlisted public fund certificates, Government bonds, and cash at bank. Management of the Fund Management Company has been given a discretionary authority to manage the Fund's assets in compliance with the Fund's investment objectives. Compliance with the investment restrictions and target asset allocation is monitored by the Supervising Bank. If any deviation from target asset allocation is found, the investment portfolio shall be adjusted by the Fund Management Company to comply with the established restrictions.

(a) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered with the Fund, resulting in a financial loss to the Fund. It arises principally from cash at banks, investments in debt securities and receivables from investment activities.

All current cash at bank was placed with financial institutions where the Fund did not expect any losses arising from their operations.

The Fund's securities will only be traded on the Ho Chi Minh City Stock Exchange and the Hanoi Stock Exchange or with counterparties which have a specified credit rating. All securities transactions are settled or paid for upon receipt/ delivery of securities via approved brokers. The risk of default is considered minimal since the delivery of securities for sales transaction is only made once payment has been received and delivery of funds for purchase transaction is only made once the securities have been received. If either party fails to meet their obligations, the trade will fail.

Receivables from investment activities include interest receivables. Credit risk relating to such receivables is considered minimal due to the good credit rating of the counterparties and short settlement period.

The maximum exposure to credit risk faced by the Fund is equal to the carrying amounts of cash at bank, investment in debt securities and receivables from investment activities.

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10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (continued)

(b) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Pension funds face high risk of liquidity due to obligation to redeem its fund certificates from fund participants.

The Fund's approach to managing liquidity risk is to maintain a highly liquid investment portfolio which comprises listed securities and bank deposits to meet its liquidity requirements in the short and long term.

As at 31 December 2021, all the Fund's liabilities were due within 1 year.

As at 31 December 2021, there was no obligation relating to derivative financial instruments.

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and market prices will affect the Fund's income or the value of its investment portfolio.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Fund's financial instruments will fluctuate as a result of changes in market interest rates. This risk arises when the market interest rate increases, the value of fixed income instruments held by the Fund, such as listed bonds, term deposits decreases, especially for long-term investments.

Details of interest rates of Government bonds are presented in Note 6.2.

Currency risk

Currency risk is the risk that the value of the Fund's financial instruments will be affected by changes in exchange rates. The Fund is not exposed to currency risk as the Fund's assets and liabilities are denominated in Vietnamese Dong, which is the Fund's accounting currency.

Market price risk

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

The Fund has invested in securities that are affected by market price risk arising from the uncertainty in the fluctuation of their future market value. Market price risk is managed by the Fund Management Company by diversifying the investment portfolio and prudent selection of securities within investment restrictions.

As at 31 December 2021, if market price of securities had increased/decreased by 10% with all other variables (including tax rate) being held constant, the net asset value of the Fund would have been higher/lower by VND3,004,580,692.

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10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (continued)

(d) Fair value of financial assets and liabilities

Financial assets of the Fund comprise:

- Cash;
- Equities of other entities;
- A contractual right:
 - To receive cash or other financial assets from other entities; or
 - To exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the Fund;
- A contract that will or may be settled in the Fund's own equity instruments.

Financial liabilities are contractual obligations to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Fund or contracts that will or may be settled in the Fund's own equity instruments.

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction.

Fair value measurement approach has not been stipulated in neither Circular 210/2009/TT-BTC nor Vietnamese Accounting Standards, Circular 198/2012/TT-BTC issued by the Ministry of Finance on 15 November 2012, Circular 98/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020 and prevailing regulations on preparation and presentation of financial statements applicable to voluntary supplemental pension funds.

Therefore, the Fund applies method to determine net asset value in accordance with Circular 98/2020/TT-BTC, the Fund's Charter and valuation manual approved by the Board of Representative to determine fair value of the Fund's financial assets including cash and cash equivalents and investments. Fair value of the Fund's other financial assets and financial liabilities approximate their carrying value due to short-term maturity of these financial instruments.

**NOTES TO THE FINANCIAL STATEMENTS
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10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (continued)

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

Fair values of the Fund's financial assets and financial liabilities as at 31 December 2021 are as follows:

	Carrying value	Fair value
	VND	VND
Financial assets		
Cash at bank and cash equivalents	220,645,187	220,645,187
Investments	30,045,806,923	30,045,806,923
- <i>Fund certificates</i>	15,127,556,923	15,127,556,923
- <i>Government bonds</i>	14,918,250,000	14,918,250,000
Net interest receivables	640,582,192	640,582,192
- <i>Interest receivables from Government bonds</i>	640,582,192	640,582,192
Total	30,907,034,302	30,907,034,302
Financial liabilities		
Subscription and redemption fee payable to fund certificate distributors	1,563,694	1,563,694
Accrued expenses	101,135,617	101,135,617
Subscription payable to fund participants	71,000,000	71,000,000
Fees payable to fund service providers	37,367,812	37,367,812
Total	211,067,123	211,067,123

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11 SUBSEQUENT EVENTS

According to the first Resolution of fund participants on the fiscal year 2022 on 28 January 2022, the Fund's target asset allocation is changes as follows:

- (i) Toward a maximum of 35% of total assets invested in certificates of non-bond securities investment funds;
- (ii) Toward a minimum of 65% of total assets invested in Government bonds and certificates of bond investment funds, of which at least 50% of total assets invested in Government bonds and
- (iii) Cash and bank deposits at necessary level for the Fund's investment activities.

When the conditions of market, transactions or the economy are assessed as unfavourable to the fund participants, the Fund Management Company may maintain the Fund's operations by allocating the Fund's assets into cash on hand and cash at bank. In such cases, the Fund's objectives may not be achieved but the asset allocation shall stay compliant with the prevailing regulations.

Other than this fact, there have been no significant subsequent events occurring after the reporting date which would require adjustments or disclosures to be made in the financial statements.

12 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements for the period from 28 April 2021 (the first trade date) to 31 December 2021 were approved by the Board of Representatives on 15 March 2022.



Dragon Capital VietFund Management
Joint Stock Company
Beat Schurch
Chief Executive Officer
15 March 2022

Dragon Capital VietFund Management
Joint Stock Company
Nguyen Kieu Truc Ly
Fund Accountant
15 March 2022

Dragon Capital VietFund Management
Joint Stock Company
Pham Thanh Dung
Chief Accountant
15 March 2022