



**Vietnam Select Equities Investment Fund**

Financial statements  
for the year ended 31 December 2022



## **Vietnam Select Equities Investment Fund General Information**

### **Fund Unit Issuance Certificate**

91/GCN-UBCK dated 29 December 2017

The Fund Unit Issuance Certificate was issued by the State Securities Commission.

### **Establishment Registration Certificate of Open-ended fund**

31/GCN-UBCK dated 2 March 2018

The Establishment Registration Certificate of Open-ended fund has been amended by the Establishment Registration Certificate of open-ended fund No. 05/GCN-UBCK dated 2 December 2019. The Establishment Registration Certificate of open-ended fund and its amendment were issued by the State Securities Commission and valid for indefinite time.

### **Fund Representative Board**

Mr. Hoang Kien	Chairman (from 19 January 2023)
Mr. Tran Dac Sinh	Chairman (until 18 January 2023)
Ms. Vuong Thi Hoang Yen	Member
Mr. Dang Viet Hung	Member (from 29 August 2022)
Mr. Nguyen Hoang Khanh	Member (until 28 August 2022)

### **Fund Management Company**

Dragon Capital VietFund Management Joint Stock Company

### **Supervising Bank**

Standard Chartered Bank (Vietnam) Limited

### **Registered Office**

15<sup>th</sup> Floor, Me Linh Point Tower  
2 Ngo Duc Ke Street, Ben Nghe Ward  
District 1, Ho Chi Minh City  
Vietnam

### **Auditor**

KPMG Limited Vietnam

## **Vietnam Select Equities Investment Fund Report of the Fund Management Company**

### **STATEMENT OF THE FUND MANAGEMENT COMPANY'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS**

The Management of Dragon Capital VietFund Management Joint Stock Company (“the Fund Management Company”) is responsible for the preparation and fair presentation of the financial statements of Vietnam Select Equities Investment Fund (“the Fund”) in accordance with Vietnamese Accounting Standards, Circular No. 198/2012/TT-BTC dated 15 November 2012 (“Circular 198”) issued by the Ministry of Finance on the promulgation of accounting systems for open-ended funds, the relevant requirements of Circular No. 98/2020/TT-BTC dated 16 November 2020 (“Circular 98”) issued by the Ministry of Finance providing guidance on operation and management of securities investment funds and the relevant statutory requirements applicable to financial reporting. In preparing those financial statements, the Fund Management Company 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 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare financial statements on the basis of going concern unless it is inappropriate to the Fund.

The Management of the Fund Management Company is also 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 to ensure that the accounting records comply with Vietnamese Accounting Standards, Circular 198, the relevant requirements of Circular 98, and the relevant statutory requirements applicable to financial reporting. The 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 and other irregularities.

Vietnam Select Equities Investment Fund’s management confirmed that the Company has complied with the above requirements in preparing the financial statements of the Fund for the year ended 31 December 2022.

## **Vietnam Select Equities Investment Fund**

### **Report of the Fund Management Company (continued)**

#### **I. Fund's general information**

##### **1. Fund's objectives**

The objective of Vietnam Select Equities Investment Fund ("the Fund") is in alignment with the Establishment registration certificate issued by the State Securities Commission ("the SSC"), the Fund Charter and the Fund's prospectus.

##### **2. Fund's performance**

In accordance with the audited financial statements of the Fund as at 31 December 2022 and for the year then ended, Net Asset Value ("NAV") of the Fund has decreased by 38.53%, while the NAV/Fund unit decreased by 25.38% as compared with those as at 31 December 2021.

##### **3. Fund's investment strategy and policy**

The investment strategy of the Fund is a flexible combination of investment value and investment growth. The Fund pursues a long-term investment strategy, based on the fundamental stock analysis and enterprise values.

The Fund will invest mainly in shares of companies currently listed and registered for trading on the Vietnam stock market with medium and large capitalisation in all sectors. The Fund will utilise investment opportunities from long-term growth trend of population structure, transformation of the economic model into private and equitisation, and improvements in corporate governance and transparent legal regulations in line with international standards. The Fund's portfolio of securities may be subject to concentration in certain companies in certain industries.

The Fund is allowed to invest in the following assets: deposits at commercial banks, foreign currencies, money market instruments, government bonds, listed shares, listed corporate bonds, rights and assets attached to securities being held, listed derivative securities and other types of financial assets in accordance with laws.

##### **4. Fund type**

The Fund is an open-ended public investment fund.

##### **5. Restriction timeline for investment of the Fund**

The Fund has an indefinite life.

##### **6. Short-term risk**

The Fund is exposed to high risk in the short term.

##### **7. Fund establishment date**

The Fund was established in the form of an open-ended public fund under Establishment Registration Certificate No. 31/GCN-UBCK issued by the State Securities Commission of Vietnam on 2 March 2018.

**Vietnam Select Equities Investment Fund**  
**Report of the Fund Management Company (continued)**



**8. Fund size at the time of the report**

As at 31 December 2022:

- Number of outstanding fund units: 303,807,914.23 units
- Value of fund units at par: VND3,038,079,142,300
- Total Net Asset Value: VND3,319,991,546,358
- NAV per fund unit: VND10,927.92

**9. Reference index of the Fund**

The Fund has no reference index.

**10. Profit distribution policy of the Fund**

The Fund shall not distribute its profit. Fund's operating profits shall be accumulated to increase the net asset value of the Fund.

**II. Performance indicators**

**1. Fund's assets structure**

Asset structure	31/12/2022	31/12/2021	31/12/2020
	(%)	(%)	(%)
Securities	98.02%	98.89%	92.89%
Other assets	1.98%	1.11%	7.11%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**Vietnam Select Equities Investment Fund**  
**Report of the Fund Management Company (continued)**

**2. Operating indicators**

<b>Indicators</b>		<b>31/12/2022</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
2.1.	Net Asset Value (VND)	3,319,991,546,358	5,401,131,696,403	2,636,232,386,421
2.2.	Total number of Fund units in circulation (Fund units)	303,807,914.23	368,787,914.23	276,079,186.53
2.3.	NAV/Fund unit (VND)	10,927.92	14,645.63	9,548.82
2.4.	The highest level of NAV per Fund unit during the period (VND)	15,695.90	14,653.10	9,548.82
2.5.	The lowest level of NAV per Fund unit during the period (VND)	9,561.90	9,548.82	5,186.22
2.9.	Total growth rate (%) per Fund Unit (Compared to last period)	(25.38%)	53.38%	18.13%
2.9.1	Capital growth rate per fund unit (%) (Change due to price fluctuation)	(19.05%)	15.84%	11.67%
2.9.2	Income growth rate per fund unit (%) (Based on realised profits)	(6.33%)	37.54%	6.46%
2.13.	Operating expenses over average NAV ratio (%)	1.29%	1.33%	1.64%
2.14.	Portfolio turnover rate (%)	168.32%	168.48%	224.08%

**3. Growth rate over the periods**

<b>Period</b>	<b>Total growth rate of NAV/ fund unit (%)</b>	<b>Growth rate NAV of/fund unit annually (%)</b>
- 1 year (31/12/2021 – 31/12/2022)	(25.38%)	(25.38%)
- 3 years (31/12/2019 – 31/12/2022)	35.20%	10.57%
- Since establishment (2/3/2018 – 31/12/2022)	9.28%	1.86%

**4. Annual growth rate**

<b>Period</b>	<b>31/12/2022 (%)</b>	<b>31/12/2021 (%)</b>	<b>31/12/2020 (%)</b>
NAV growth rate per fund unit (%)	(25.38%)	53.38%	18.13%

**Vietnam Select Equities Investment Fund**  
**Report of the Fund Management Company (continued)**

**III. Market description**

VNINDEX closed at 1,007.09 points at the end of 2022, declined by 32.8% as compared to the beginning of the year. Average daily turnover in 2022 was over VND15,000 billion, decreased by 25.1% compared to the average daily turnover in 2021.

Highlights of the stock market in 2022:

- (i) Brokers continued reducing their margin loans to real estate stocks.
- (ii) Foreign investors boosted their net buying when stock valuation dropped to the lowest level in the past 10 years.
- (iii) Market sentiment remained neutral as real estate sector is still in trouble and the increased risk of global recession.
- (iv) FED raised interest rates to control inflation, leading to a sharp increase in the USD/VND exchange rate.

**IV. Details of the Fund's operating indicators**

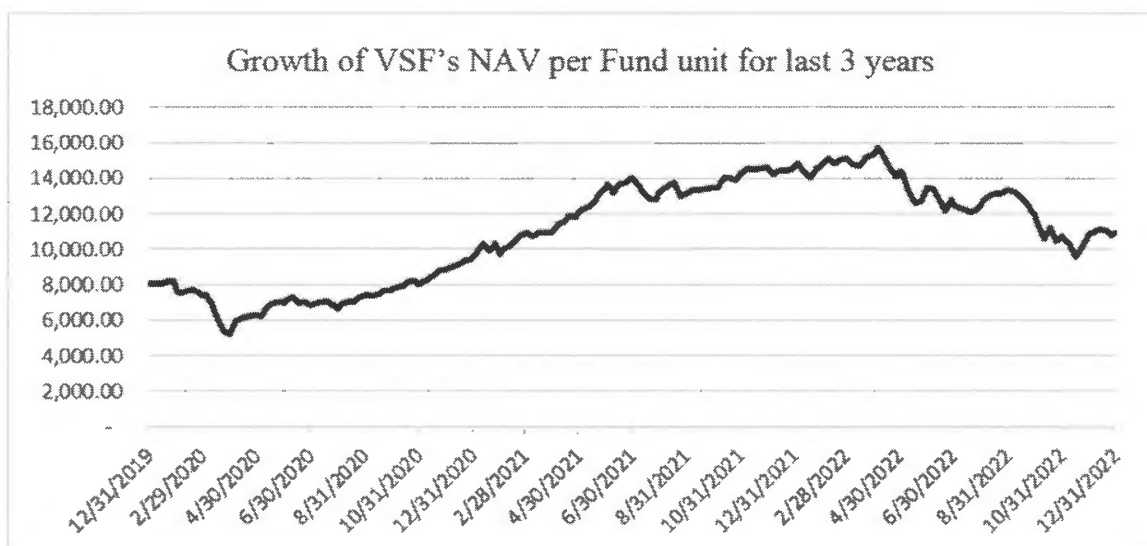
**1. Details of the Fund's operating indicators**

Items	1 year to reporting date (%)	3 years to reporting date (%)	From inception to reporting date (%)
Income growth rate per fund unit	(6.33%)	48.23%	38.77%
Capital growth rate per fund unit	(19.05%)	(13.03%)	(29.49%)
Total NAV growth rate per fund unit	(25.38%)	35.20%	9.28%
Annual NAV growth rate per fund unit	(25.38%)	10.57%	1.86%
Growth rate of structured portfolio (*)	Not applicable	Not applicable	Not applicable
Change in market price per fund unit (**)	Not applicable	Not applicable	Not applicable

(\*) The Fund does not have any structured portfolio.

(\*\*) The Fund does not have any market price.

**Vietnam Select Equities Investment Fund**  
**Report of the Fund Management Company (continued)**



▪ **Change in Net Asset Value**

Items	31/12/2022 VND	31/12/2021 VND	The rate of change %
	[1]	[2]	[3]=([1] – [2])/[2]
NAV	3,319,991,546,358	5,401,131,696,403	(38,53%)
NAV/Fund unit	10,927.92	14,645.63	(25,38%)

**2. Statistics on investors holding fund certificates at the reporting date**

Holding scale (Fund units)	Number of Fund Unitholders	Number of Fund units held	Percentage of holding
Less than 5,000	11	24,500.00	0.008%
From 5,000 to under 10,000	3	15,500.00	0.005%
From 10,000 to under 50,000	1	12,000.00	0.004%
From 50,000 to under 500,000	2	180,000.00	0.059%
From 500,000 and above	3	303,575,914.23	99.924%
<b>Total</b>	<b>20</b>	<b>303,807,914.23</b>	<b>100.00%</b>

**3. Hidden costs and discounts**

To avoid conflicts of interests and ensure the accuracy of the Fund's expenses, the Fund Management Company requires that all employees are not allowed to receive cash discounts and incur hidden costs when in dealing with the Fund's transactions with its service providers.

During the reporting period, the Fund did not incur any cash discounts or hidden costs relating attached to its transactions with its service providers.



## **Vietnam Select Equities Investment Fund Report of the Fund Management Company (continued)**

### **V. Market outlook**

In 2022, Vietnam economy recorded an impressive recovery with GDP growth of 8%, reaching USD408.8 billion. This is the fastest growth rate in the past 10 years. With a population of nearly 100 million people, GDP per capita reached to USD4,110, increased by 10.8% as compared to 2021 and Vietnam officially entered the upper-middle-income group (above USD4,045 as defined by the World Bank). Manufacturing showed signs of slowing down in the fourth quarter of 2022, indicating that the economy with a high trade openness like Vietnam is being affected by the weakness of key export markets such as China, Europe, and America. New export orders continued to decline and some enterprises cut labor, causing the Purchasing Managers Index to fall below 50 for the second month in a row, specifically at 46.4 in December. The industrial output of the fourth quarter of 2022 only increased by 3.0% as compared to the same period of last year and the manufacturing inventory index increased by 13.9% as compared to 2021.

### **VI. Other information**

#### **1. Information about the Fund executive personnel, Fund Representative Board and the Board of Directors of the Fund Management Company**

##### **The Fund's executive comprise of:**

- Ms. Luong Thi My Hanh, Master of Economics. She used to be the Deputy CEO in charge of Investment and Research of Vietnam Investment Fund Management Joint Stock Company from 2010 to 12 March 2021 and since 13 March 2021, she has been the Director of Asset Management, Domestic Department of Dragon Capital VietFund Management Joint Stock Company.
- Mr. Nguyen Sang Loc, Bachelor of Finance. He used to be the Senior Research Specialist of VietFund Management Joint Stock Company from 16 April 2016 to 31 December 2016, Investment Portfolio Manager of VietFund Management Joint Stock Company from 1 Jan 2017 to 31 December 2020 and Investment Portfolio Manager of Dragon Capital VietFund Management Joint Stock Company since 1 January 2021.

##### **The Fund Representative Board comprises of:**

- Mr. Hoang Kien, Bachelor in Economics, Master of Finance. He used to be Specialist of Oil and Gas Service Contract at Petro Vietnam Petechim from 1992 to 1997, Analyst of the Investment Portfolio of Dragon Capital VietFund Management Joint Stock Company from 2000 to 2015, and Financial Consultant Freelancer since 2015.
- Ms. Vuong Thi Hoang Yen, Member, Bachelor in Accounting – Auditing. She used to be Chief Accountant of Minh Thang Co., Ltd from 2004 to 2007, Audit Manager of AS Auditing Company from 2007 to 2012, Audit Director of FA Auditing Partnership Company from 2012 to 2013, Audit Director of Dai Tin Auditing Company Ltd. from 2013 to September 2016, Audit Director of Branch of Dai Tin Auditing Company Ltd. From October 2016 to August 2019 and has been Operation Director of Golden Standards Co., Ltd since 2019.

## Vietnam Select Equities Investment Fund Report of the Fund Management Company (continued)

- Mr. Dang Viet Hung, Member, Bachelor in Law, Lawyer. He used to be a Legal Assistant Specialist Department of Law Firm Phuong Bac and Associates from October 2014 to June 2016, Associate Specialist of RHTLaw Law Firm Taylor Wessing Vietnam from July 2016 to September 2019, Associate Lawyer of RHTLaw Vietnam Law Firm from October 2019 to March 2022 and is currently a Legal and Compliance Officer at Dragon Capital VietFund Management Joint Stock Company (DCVFM).

### The executive officers of the Fund Management Company comprise of:

- Mr. Beat Schurch, Chief Executive Officer (“CEO”), Master of Economics. He has been the CEO of Dragon Capital VietFund Management Joint Stock Company since 30 December 2020.

## 2. Other information

The relevant data and information presented in this report are based on the results of the audited financial statements.

In this report, items that are not presented are either not applicable or zero balances.

On behalf of Dragon Capital VietFund Management Joint Stock Company



Beat Schurch  
*Chief Executive Officer*

Ho Chi Minh City, 6 March 2023





## SUPERVISORY BANK'S REPORT

We, appointed as the Supervisory Bank of Vietnam Select Equities Investment Fund (“the Fund”) for the period from 01<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022, recognize that the Fund operated and was managed in the following matters:

a) During our supervision of the Fund’s investments and asset transactions for the period from 01<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022, the Fund’s investment portfolio deviated from investment limits under the prevailing regulations for open-end fund, Fund Charter, Fund Prospectus and other relevant regulations, details as below:

➤ Point e, Clause 04, Article 35, Circular 98/2020/TT-BTC dated 16<sup>th</sup> November 2020 providing guidance on operation and management of securities investment funds (“Circular 98”) and Article 11, Fund Charter regulate that the structure of the investment portfolio of an open-end fund must ensure the following investment limit: “Total value of major investments in the fund’s investment portfolio shall not exceed 40% of total value of its assets, except bond funds.” In case of deviation, the Fund Management Company has to adjust the Fund’s investment portfolio in conformity with the prevailing regulations within the regulated recovery timeframe.

At valuation date 19<sup>th</sup> January 2022, the Fund’s investment in major investments deviated from the limit of 40% of the Fund’s total asset value due to price fluctuation of the assets in the Fund’s investment portfolio. The Fund Management Company adjusted the Fund’s investment portfolio to comply with the prevailing regulations within the regulated recovery timeframe.

As at 31<sup>st</sup> December 2022, the Fund’s investment portfolio complied with Point e, Clause 04, Article 35, Circular 98 and Article 11, Fund Charter.

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) For the period from 01<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022, the Fund did not pay dividend to Fund Unit Holders.

**SUPERVISORY BANK REPRESENTATIVE**

**SUPERVISORY BANK OFFICER**



**Nguyen Thuy Linh**  
Senior Manager, Fiduciary and Fund Services  
Operations Vietnam

**Truong Thi Hoang Yen**  
Manager, Fiduciary and Fund Services  
Operations Vietnam

**Vietnam Select Equities Investment Fund  
Report of the Fund Representative Board**

**REPORT OF THE FUND REPRESENTATIVE BOARD**

I, Hoang Kien, being the Chairman of the Fund Representative Board of Vietnam Select Equities Investment Fund (“the Fund”), do hereby approve the accompanying financial statements of the Fund for the year ended 31 December 2022, which have been prepared in accordance with Vietnamese Accounting Standards, Circular No. 198/2012/TT-BTC dated 15 November 2012 issued by the Ministry of Finance on the promulgation of accounting systems for open-ended funds, the relevant requirements of Circular No. 98/2020/TT-BTC dated 16 November 2020 issued by the Ministry of Finance providing guidance on operation and management of securities investment funds and the relevant statutory requirements applicable to financial reporting.

On behalf of the Fund Representative Board *ngk*



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Mr. Hoang Kien  
*Chairman*

Ho Chi Minh City, 6 March 2023



KPMG Limited Branch  
10th Floor, Sun Wah Tower  
115 Nguyen Hue Street, Ben Nghe Ward  
District 1, Ho Chi Minh City, Vietnam  
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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Fund's Unitholders Vietnam Select Equities Investment Fund**

We have audited the accompanying financial statements of Vietnam Select Equities Investment Fund ("the Fund"), which comprise the statements of financial position and investment portfolio as of 31 December 2022, the statements of income, changes in Net Asset Value and Fund units transactions and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Fund Representative Board on 6 March 2023, as set out on pages 14 to 57.

### **The Fund Management Company's Responsibility**

The Management of Dragon Capital VietFund Management Joint Stock Company ("the Fund Management Company") is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Circular No. 198/2012/TT-BTC dated 15 November 2012 ("Circular 198") issued by the Ministry of Finance on the promulgation of accounting systems for open-ended funds, the relevant requirements of Circular No. 98/2020/TT-BTC dated 16 November 2020 ("Circular 98") issued by the Ministry of Finance providing guidance on operation and management of securities investment funds and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Management of the Fund Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor's considers internal control relevant to the Fund Management Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund Management Company'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 give a true and fair view, in all material respects, of the financial position of Vietnam Select Equities Investment Fund as at 31 December 2022 and of its results of operations and its cash flows for the year ended accordance with Vietnamese Accounting Standards, Circular No. 198/2012/TT-BTC dated 15 November 2012 issued by the Ministry of Finance on the promulgation of accounting systems for open-ended funds, the relevant requirements of Circular No. 98/2020/TT-BTC dated 16 November 2020 issued by the Ministry of Finance providing guidance on operation and management of securities investment funds and the relevant statutory requirements applicable to financial reporting.

### KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No: 22-01-00245-23-1



Nelson Rodríguez Casihan  
Practicing Auditor Registration  
Certificate No. 2225-2023-007-1  
*Deputy General Director*

Nguyen Thi Thu Ha  
Practicing Auditor Registration  
Certificate No. 2236-2023-007-1

Ho Chi Minh City, 6 March 2023



**Vietnam Select Equities Investment Fund**  
**Statement of income for the year ended 31 December 2022**

**Form B01 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

No	Items	Code	Note	2022 VND	2021 VND
<b>I</b>	<b>INCOME, REVENUE FROM INVESTMENT ACTIVITIES</b>	<b>01</b>		<b>(1,272,242,918,914)</b>	<b>1,693,441,453,917</b>
1.1	Dividend income	02	13	37,444,311,980	26,784,151,664
1.2	Interest income	03	14	1,105,936,596	437,440,868
1.3	(Losses)/gains from trading securities	04	15	(261,750,290,939)	1,352,762,056,968
1.4	Unrealised (losses)/gains from revaluation of investments	05	16	(1,049,042,876,551)	313,457,804,417
<b>II</b>	<b>INVESTMENT EXPENSES</b>	<b>10</b>		<b>19,773,847,959</b>	<b>20,667,876,265</b>
2.1	Transaction fees from buying, selling securities	11	17	19,773,847,959	20,667,876,265
<b>III</b>	<b>OPERATING EXPENSES</b>	<b>20</b>		<b>38,895,013,572</b>	<b>37,304,899,475</b>
3.1	Management fees	20.1	21	34,086,872,049	32,598,976,229
3.2	Custody fees	20.2	18	1,842,448,050	1,730,310,225
3.3	Supervising fees	20.3	21	999,881,578	956,236,636
3.4	Fund administration fees	20.4	21	1,252,938,813	1,472,328,164
3.5	Transfer agency fees	20.5		133,100,000	132,000,000
3.8	Audit fees	20.8		197,130,000	145,658,708
3.10	Other operating expenses	20.10	19	382,643,082	269,389,513
<b>IV</b>	<b>INVESTMENT AND OPERATING RESULTS (23 = 01 - 10 - 20)</b>	<b>23</b>		<b>(1,330,911,780,445)</b>	<b>1,635,468,678,177</b>
<b>VI</b>	<b>(LOSS)/PROFIT BEFORE TAX (30 = 23)</b>	<b>30</b>		<b>(1,330,911,780,445)</b>	<b>1,635,468,678,177</b>
6.1	Realised (loss)/profit	31	12	(281,868,903,894)	1,322,010,873,760
6.2	Unrealised (loss)/profit	32	12	(1,049,042,876,551)	313,457,804,417
<b>VIII</b>	<b>NET (LOSS)/PROFIT AFTER TAX (41 = 30)</b>	<b>41</b>		<b>(1,330,911,780,445)</b>	<b>1,635,468,678,177</b>

6 March 2023

Dragon Capital VietFund Management Joint Stock Company

Prepared by:

*nga*

Ms. Nguyen Thu Ngoc  
Fund Accountant

Approved by:

*peach*

Ms. Ninh Thi Tue Minh  
Fund Accounting Manager

Approved by:



Mr. Beat Schurch  
Chief Executive Officer

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

**Vietnam Select Equities Investment Fund**  
**Statement of financial position as at 31 December 2022**

**Form B02 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

No	Items	Code	Note	31/12/2022 VND	31/12/2021 VND
<b>I</b>	<b>ASSETS</b>				
<b>1</b>	<b>Cash in banks and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>47,318,902,649</b>	<b>29,121,896,968</b>
1.1	Cash in banks for operating activities of the Fund	111		47,318,902,649	29,121,896,968
<b>2</b>	<b>Net investments</b>	<b>120</b>		<b>3,297,998,348,400</b>	<b>5,361,643,307,800</b>
2.1	Investments	121	5	3,297,998,348,400	5,361,643,307,800
<b>3</b>	<b>Receivables</b>	<b>130</b>		<b>19,297,750,000</b>	<b>30,883,539,000</b>
3.1	Receivables from sales of investments	131	6	15,821,650,000	26,908,045,000
3.2	Interest and dividend receivables	133		3,476,100,000	3,975,494,000
3.2.2	<i>Accrued dividend and interest receivables</i>	<i>136</i>	<i>7</i>	<i>3,476,100,000</i>	<i>3,975,494,000</i>
	<b>TOTAL ASSETS</b> <b>(100 = 110 + 120 + 130)</b>	<b>100</b>		<b>3,364,615,001,049</b>	<b>5,421,648,743,768</b>
<b>II</b>	<b>LIABILITIES</b>				
1	Payables from purchases of investments	312	8	41,952,140,000	16,544,600,000
4	Taxes payable to State Treasury	314		23,776,764	115,407
6	Accrued expenses	316	9	246,660,685	204,178,968
9	Fund's service fees payable	319	10	2,400,877,242	3,768,152,990
	<b>TOTAL LIABILITIES</b> <b>(300 = 312 + 314 + 316 + 319)</b>	<b>300</b>		<b>44,623,454,691</b>	<b>20,517,047,365</b>

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



**Vietnam Select Equities Investment Fund**  
**Statement of financial position as at 31 December 2022 (continued)**

**Form B02 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

No	Items	Code	Note	31/12/2022 VND	31/12/2021 VND
<b>III</b>	<b>NET ASSET VALUE DISTRIBUTABLE TO FUND UNITHOLDERS (400 = 100 - 300)</b>	<b>400</b>		<b>3,319,991,546,358</b>	<b>5,401,131,696,403</b>
<b>1</b>	<b>Capital issued to Fund Unitholders</b>	<b>411</b>	<b>11</b>	<b>3,038,079,142,300</b>	<b>3,687,879,142,300</b>
1.1	Subscription capital	412		3,745,437,743,300	3,745,437,743,300
1.2	Redemption capital	413		(707,358,601,000)	(57,558,601,000)
<b>2</b>	<b>Capital premium</b>	<b>414</b>	<b>11</b>	<b>(654,967,227,511)</b>	<b>(554,538,857,911)</b>
<b>3</b>	<b>Retained earnings</b>	<b>420</b>	<b>12</b>	<b>936,879,631,569</b>	<b>2,267,791,412,014</b>
<b>IV</b>	<b>NET ASSET VALUE PER FUND UNIT (430 = 400/004)</b>	<b>430</b>	<b>11</b>	<b>10,927.92</b>	<b>14,645.63</b>
<b>VI</b>	<b>OFF BALANCE SHEET ITEMS</b>			<b>31/12/2022 Unit</b>	<b>31/12/2021 Unit</b>
1	Number of Fund units in circulation	004	11	303,807,914.23	368,787,914.23

6 March 2023

Dragon Capital VietFund Management Joint Stock Company

Prepared by:

*ngn*

Ms. Nguyen Thu Ngoc  
Fund Accountant

Approved by:

*pnh*

Ms. Ninh Thi Tue Minh  
Fund Accounting Manager

Approved by:



Mr. Beat Schurch  
Chief Executive Officer

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

**Vietnam Select Equities Investment Fund**  
**Statement of changes in Net Asset Value and Fund units transactions for the year ended**  
**31 December 2022**

**Form B03 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

No.	Items	2022 VND	2021 VND
I	<b>Net Asset Value (“NAV”) at the beginning of the year</b>	<b>5,401,131,696,403</b>	<b>2,636,232,386,421</b>
II	<b>Changes of NAV during the year</b>	<b>(1,330,911,780,445)</b>	<b>1,635,468,678,177</b>
	<i>In which:</i>		
II.1	Changes of NAV due to market fluctuation and investment activities of the Fund during the year	(1,330,911,780,445)	1,635,468,678,177
III	<b>Changes of NAV due to redemption and subscription of Fund units</b>	<b>(750,228,369,600)</b>	<b>1,129,430,631,805</b>
	<i>In which:</i>		
III.1	Fund units subscription		- 1,149,783,000,000
III.2	Fund units redemption	(750,228,369,600)	(20,352,368,195)
IV	<b>Net Asset Value at the end of the year</b> <b>(IV = I + II + III)</b>	<b>3,319,991,546,358</b>	<b>5,401,131,696,403</b>

6 March 2023

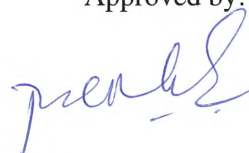
Dragon Capital VietFund Management Joint Stock Company

Prepared by:



Ms. Nguyen Thu Ngoc  
Fund Accountant

Approved by:



Ms. Ninh Thi Tue Minh  
Fund Accounting Manager

Approved by:



Ms. Beat Schurch  
Chief Executive Officer

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

**Vietnam Select Equities Investment Fund**  
**Statement of investment portfolio as at 31 December 2022**

**Form B04 – QM**

*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

No.	Items	No. of shares	Market price or fair value per share as at 31/12/2022 VND/share	Total value as at 31/12/2022 VND	% of the Fund's total assets
I	<b>Listed shares</b>			<b>3,297,998,348,400</b>	<b>98.02%</b>
1	ACB	6,386,522	21,900	139,864,831,800	4.15%
2	AGG	1,073,600	30,400	32,637,440,000	0.97%
3	BID	1,272,014	38,600	49,099,740,400	1.46%
4	DGC	1,158,700	58,900	68,247,430,000	2.03%
5	DPM	2,864,100	42,950	123,013,095,000	3.66%
6	EIB	3,634,600	27,950	101,587,070,000	3.02%
7	FPT	4,470,794	76,900	343,804,058,600	10.22%
8	FRT	984,000	69,000	67,896,000,000	2.02%
9	GAS	485,200	101,500	49,247,800,000	1.46%
10	HDG	3,330,000	31,400	104,562,000,000	3.11%
11	HPG	4,776,200	18,000	85,971,600,000	2.56%
12	KBC	4,262,466	24,200	103,151,677,200	3.07%
13	MBB	7,651,486	17,100	130,840,410,600	3.89%
14	MWG	13,170,100	42,900	564,997,290,000	16.79%
15	PNJ	4,006,826	89,900	360,213,657,400	10.71%
16	POW	10,932,500	10,650	116,431,125,000	3.46%
17	PVD	5,057,300	17,850	90,272,805,000	2.68%
18	REE	2,223,000	71,500	158,944,500,000	4.72%
19	SSI	4,659,800	17,700	82,478,460,000	2.45%
20	STB	4,300,000	22,500	96,750,000,000	2.88%
21	TPB	1,581,500	21,050	33,290,575,000	0.99%
22	VCB	661,426	80,000	52,914,080,000	1.57%
23	VHC	1,789,900	69,800	124,935,020,000	3.71%
24	VPB	8,804,166	17,900	157,594,571,400	4.68%
25	VRE	2,252,970	26,300	59,253,111,000	1.76%

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

**Vietnam Select Equities Investment Fund**  
**Statement of investment portfolio as at 31 December 2022 (continued)**

**Form B04 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

No.	Items	Total value as at 31/12/2022 VND	% of the Fund's total assets
<b>V</b>	<b>Other assets</b>	<b>19,297,750,000</b>	<b>0.57%</b>
1	Interest and dividend receivables	3,476,100,000	0.10%
2	Receivables from sales of investments	15,821,650,000	0.47%
<b>VI</b>	<b>Cash in banks</b>	<b>47,318,902,649</b>	<b>1.41%</b>
1	Cash in banks for operating activities of the Fund	47,318,902,649	1.41%
<b>VII</b>	<b>Total investment portfolio</b>	<b>3,364,615,001,049</b>	<b>100,00%</b>

6 March 2023

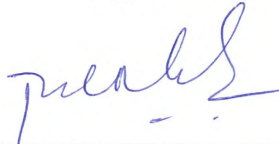
Dragon Capital VietFund Management Joint Stock Company

Prepared by:



Ms. Nguyen Thu Ngoc  
Fund Accountant

Approved by:



Ms. Ninh Thi Tue Minh  
Fund Accounting Manager

Approved by:



Mr. Beat Schurch  
Chief Executive Officer

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**Vietnam Select Equities Investment Fund**  
**Statement of cash flows for the year ended 31 December 2022 (Indirect method)**

**Form B05 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

No	Items	Code	2022 VND	2021 VND
<b>I</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>1</b>	<b>(Loss)/profit before tax for the period</b>	<b>01</b>	<b>(1,330,911,780,445)</b>	<b>1,635,468,678,177</b>
<b>2</b>	<b>Adjustments for:</b>	<b>02</b>	<b>1,049,075,876,551</b>	<b>(313,403,904,417)</b>
	Unrealised losses/(gains) from revaluation of investments	03	1,049,042,876,551	(313,457,804,417)
	Increase in accrued expenses	04	33,000,000	53,900,000
<b>3</b>	<b>Profit from investing activities before changes in working capital</b>	<b>05</b>	<b>(281,835,903,894)</b>	<b>1,322,064,773,760</b>
	Decrease/(increase) in investments	20	1,014,602,082,849	(2,597,435,308,983)
	Decrease/(increase) in receivables from sale of investment	06	11,086,395,000	(26,908,045,000)
	Decrease/(increase) in interest and dividend receivables	07	499,394,000	(3,194,534,000)
	Increase in payables for purchases of investments	10	25,407,540,000	16,544,600,000
	Decrease in payables to distribution agents	11	-	(150,000,000)
	Increase/(decrease) in taxes payable to State Treasury	13	23,661,357	(65,735)
	Increase in accrued expenses	16	9,481,717	65,178,968
	(Decrease)/increase in Fund's service fees payable	17	(1,367,275,748)	1,842,147,384
	<b>Net cash flows from investment activities</b>	<b>19</b>	<b>768,425,375,281</b>	<b>(1,287,171,253,606)</b>
<b>II</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>1</b>	Proceeds from Fund units subscription	31	-	1,149,783,000,000
<b>2</b>	Payments for Fund units redemption	32	(750,228,369,600)	(20,352,368,195)
	<b>Net cash flows from financing activities</b>	<b>30</b>	<b>(750,228,369,600)</b>	<b>1,129,430,631,805</b>
<b>III</b>	<b>NET CASH IN/(OUT) FLOWS DURING THE YEAR (40 = 19 + 30)</b>	<b>40</b>	<b>18,197,005,681</b>	<b>(157,740,621,801)</b>

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

**Vietnam Select Equities Investment Fund**  
**Statement of cash flows for the year ended 31 December 2022**  
**(Indirect method – continued)**

**Form B05 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

No	Items	Code	2022 VND	2021 VND
IV	<b>Cash and cash equivalents at the beginning of the year</b>	50	29,121,896,968	186,862,518,769
	- Cash in banks for operating activities of the Fund	52	29,121,896,968	186,862,518,769
V	<b>Cash and cash equivalents at the end of the year</b>	55	47,318,902,649	29,121,896,968
	- Cash in banks for operating activities of the Fund	57	47,318,902,649	29,121,896,968
VI	<b>Net change in cash and cash equivalents during the year (60 = 55 - 50)</b>	60	<b>18,197,005,681</b>	<b>(157,740,621,801)</b>

6 March 2023

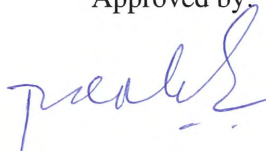
Dragon Capital VietFund Management Joint Stock Company

Prepared by:



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Fund Accountant

Approved by:



Ms. Ninh Thi Tue Minh  
Fund Accounting Manager

Approved by:



Mr. Beat Schurch  
Chief Executive Officer

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

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

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

**1. Reporting entity**

**(a) General information of the Fund**

Vietnam Select Equities Investment Fund (formerly known as Vietnam Investment Fund Management Joint Stock Company) (“the Fund”) was established as a public open-ended fund under Establishment Registration Certificate of open-ended fund No. 31/GCN-UBCK (“the ERC”) issued by the State Securities Commission of Vietnam on 2 March 2018.

According to the Establishment Registration Certificate, the Fund’s charter capital is VND70,798,450,000, equivalent to 7,079,845 fund units. The Fund operates in accordance with the Fund Charter first issued on 2 March 2018, was amended and supplemented several times and the last time was on 6 April 2022.

The fund certificates were issued to the public for the first time under Initial Public Offering Certificate No. 91/GCN-UBCK issued by SSC on 29 December 2017. According to this certificate, the Fund is authorised to issue minimum 5,000,000 fund certificates to the public with par value of VND10,000 per fund certificate.

The Fund’s name was changed to “Vietnam Select Equities Investment Fund” pursuant to the resolution of the fund certificate holders’ extra-ordinary meeting on 19 September 2019 and the Establishment Registration Certificate No. 05/GCN-UBCK issued by the SSC on 2 December 2019.

The Fund has no employees and is managed by Dragon Capital VietFund Management Joint Stock Company (formerly known as Vietnam Investment Fund Management Joint Stock Company) (the “Fund Management Company”). Standard Chartered Bank (Vietnam) Limited has been appointed as the supervising bank and custodian bank of the Fund since 2 March 2018.

Contact address of the Fund is 15th Floor, Me Linh Point Tower, 2 Ngo Duc Ke Street, Ben Nghe Ward, District 1, Ho Chi Minh City.

**(b) General information of the Fund’s operations**

***Investment objective and investment restrictions***

The investment objective of the Fund is to seek long-term capital appreciation and income from dividends. The Fund will invest mainly in stocks listed and registered for trading on Vietnam stock market, which have good fundamentals and expectations for sustainable growth. The Fund’s investment portfolio and its restrictions shall follow the investment objectives and investment strategy as stipulated in the Fund’s Charter and Prospectus.

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

***Frequency of net asset value (“NAV”) valuation***

The Funds NAV is determined on a weekly and a monthly basis. The weekly valuation date is every Wednesday that is a working day. If the valuation date fall on a holiday, it will be carried to the working day preceding that holiday.

The monthly valuation date is the first day of the following month regardless of whether it falls on weekends or holidays. If the Fund Management Company increases the frequency of the dealing date, the frequency of NAV valuation will increase accordingly.

***Method of NAV valuation***

The Fund’s NAV is calculated by taking total assets minus liabilities as at the date prior to the valuation date. Total value of Fund’s assets is measured at their market value or fair value.

NAV per fund certificate is calculated by dividing the total NAV of the Fund by the number of outstanding fund certificates at the nearest trading date prior to the valuation date.

NAV per fund certificate shall be rounded down to two (02) decimal places.

***Frequency of subscriptions and redemptions of fund units***

The fund units are subscribed and redeemed on valuation dates. The increase of trading frequency shall be announced on the Fund’s website and updated at the nearest Fund Unitholder’s General Meeting. The decrease of trading frequency shall be approved by the Fund Unitholder’s General Meeting and not less than the minimum trading frequency required by laws.

***Distribution of earnings***

The Fund shall not distribute its profits (including but not limited to cash, stocks or property dividends). Entire profits generated from operations are accumulated to increase the net asset value of the Fund.



**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

**2. Basis of preparation**

**(a) Statement of compliance**

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, Circular No. 198/2012/TT-BTC dated 15 November 2012 (“Circular 198”) issued by the Ministry of Finance on the promulgation of accounting systems for open-ended funds, the relevant requirements of Circular No. 98/2020/TT-BTC dated 16 November 2020 (“Circular 98”) issued by the Ministry of Finance on the promulgation of regulations on operation and management of securities investment funds and the relevant statutory requirements applicable to financial reporting.

The accompanying financial statements have not been prepared to present the financial position, the operating results and cash flows of the Fund in accordance with accounting principles and practices generally accepted in other countries and other jurisdictions outside Vietnam. The accounting principles and practices applicable to open-ended funds in Vietnam may be different from those in other countries and other jurisdictions.

In accordance with Circular 198, the Fund’s financial statements include the following:

- Statement of income: Form B01 - QM;
- Statement of financial position: Form B02 - QM;
- Statement of changes in Net Asset Value and Fund units: Form B03 - QM;
- Statement of investment portfolio: Form B04 - QM;
- Statement of cash flows: Form B05 - QM;
- Notes to the financial statements: Form B06 - QM.

**(b) Basis of measurement**

The financial statements of the Fund, except for the statement of cash flows and items as described in Note 3(c), are prepared on the accrual basis using the historical cost concept. The statement of cash flows is prepared using the indirect method.

**(c) Annual accounting period**

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

**(d) Accounting and presentation currency**

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

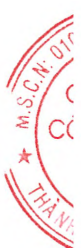
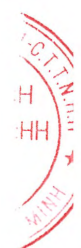
**(e) Accounting documentation system**

The registered accounting documentation system of the Fund is the General Journal system.

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*



**3. Summary of significant accounting policies**

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

**(a) Foreign currency transactions**

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate at the end of the accounting period quoted by the commercial bank where the Fund most frequently conducts transactions. Transactions in currencies other than VND during the year have been translated into VND at rates approximating actual rates of exchanges ruling at the transaction dates.

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

**(b) Cash in banks and cash equivalents**

Cash in banks and cash equivalents comprise current accounts and term deposits with original term to maturity not exceeding three (03) months from their transaction dates. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash, and are subject to an insignificant risk of changes in value.

**(c) Investments**

***Trading securities***

Trading securities are initially stated at cost, which comprises the purchase price only and exclusive of attributable transaction costs such as broker fees, transaction fees and bank charges, etc. After initially record, they are revalued at the reporting date based on revaluation policies described in Note 3(c)(iii). Unrealised gains or losses from revaluation of trading securities are recorded in the statement of income.

**(i) Classification**

The Fund classifies its listed securities and unlisted securities which are purchased for trading purposes as trading securities.

**(ii) Recognition**

The Fund recognises investments at the transaction date.

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

**(iii) Measurement**

In accordance with Circular No. 98, investment securities are revalued using market price at the reporting date. If there is no market price available at the most recent trading date prior to the reporting date or in case the market prices fluctuate significantly, the Fund Management Company is allowed to use fair value to revalue Fund's investments. Fair value is estimated based on methodologies or valuation models as stipulated in the Fund Charter, or the Fund's Pricing Policy. Investments are revalued at the reporting date as follows:

***Bonds***

- Listed bonds
  - These bonds are revalued based on the quoted prices (also called “clean price”) or similar terms according to the securities exchanges’ rules on the platform for outright transactions at the latest trading date with transactions preceding the valuation date plus accumulated accrued interest (if quoted prices does not include accrued interest).
  - Where there are more than one bond transaction at the latest trading date with transactions preceding the valuation date (resulting multiple quoted prices), the adopted valuation is the weighted average of the quoted prices on that date (weighted average quoted price);
  - If there is no transactions on the trading system at the Stock Exchange for more than fifteen (15) days as of the valuation date; or there are only transactions with large fluctuation in market price on the trading system of the Stock Exchange according to the Fund’s Valuation Manual approved by the Board of Representative in written; the listed bonds are revalued in accordance with following value in order of precedence:
    - Purchase price plus accumulative accrued interest; or
    - Face value plus accumulative accrued interest.
- Unlisted bonds
  - Unlisted bonds are revalued at the average of transacted prices at the latest trading date with transactions preceding the valuation date based on quotations from at least three (03) independent quoting entities and approved by the Board of Representatives.
  - In case there are not enough quotations by at least three (03) independent quoting entities, unlisted bonds are revalued at one of the following prices in the following order of priority:
    - The average of transacted prices quoted by two (02) independent quoting entities;
    - Purchase price plus accumulated accrued interest.
- Warrants attached to convertible bonds
  - Warrants attached to convertible bonds are revalued based on the valuation techniques approved by the Board of Representatives.

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

- Bonds issued by entities in the process of dissolution or bankruptcy
  - Bonds issued by entities in the process of dissolution or bankruptcy are revalued based on the valuation techniques approved by the Board of Representatives.

***Shares***

- Shares which are listed on the Ho Chi Minh City Stock Exchange or the Hanoi Stock Exchange and shares of public companies to be registered for trading on the Unlisted Public Company Market (“UPCoM”).
  - Market value is the closing price of on date having latest transaction prior to the valuation date.
  - Where shares are not traded for more than fifteen (15) days prior to the valuation date, they are revalued at one of the following prices in the following order of priority:
    - The closing price (or other names, according to stock exchanges’ rules) of the latest trading date with transactions within ninety (90) days prior to the valuation date (before 16 May 2022 within twelve (12) months prior to the valuation date); or
    - Purchase price; or
    - Book value; or
    - The price determined based on the valuation techniques approved by the Board of Representatives.
  - The value of listed shares in the process of changing listing venues is their closing prices of the latest trading date with transactions preceding the valuation date.
- Shares suspended, shares delisted or deregistered for trading  
These shares are revalued at one of the following prices in the following order of priority:
  - Book value; or
  - Par value; or
  - The price determined based on the valuation techniques approved by the Board of Representatives.
- Shares of entities in the process of dissolution or bankruptcy  
These shares are revalued at one of the following prices in the following order of priority:
  - 80% of the liquidation value of these shares as at the latest reporting date prior to the Fund’s valuation date; or
  - The price determined based on the valuation techniques approved by the Board of Representatives on a case-by-case basis.

***Rights***

The value of rights issues is determined as the difference between the market price of the underlying shares at the reporting date and the amount payable to exercise the rights at the exercise date, multiplied by the rights exercise ratio. The value of right issues is nil when the market price of the underlying shares at the reporting date is lower than the amount payable to exercise the rights at the exercise date.

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

**(iv) Derecognition**

Investments are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Cost of trading securities is determined on a weighted average basis.

**(d) Receivables**

Receivables represent amounts receivable from securities trading, dividend receivables, accrued interest from bonds, accrued interest from bank deposits, accrued interest from transferable certificates of deposit and other receivables. Receivables are stated at cost less allowance for doubtful debts.

Allowance 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 certificate holders.

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

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

**(e) Payables**

Payables include payables for purchasing investments, 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. Payables are stated at their cost.

**(f) Provisions**

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

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

**(g) Classification of financial instruments**

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

**(i) Financial assets**

*Financial assets at fair value through profit or loss*

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

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

*Held-to-maturity investments*

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

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

*Loans and receivables*

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

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

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

*(Issued under Circular No. 198/2012/TT-BTC  
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*Available-for-sale financial assets*

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

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

**(ii) *Financial liabilities***

*Financial liabilities at fair value through profit or loss*

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

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

*Financial liabilities at amortised cost*

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

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

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

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**(h) Taxation**

***Fund units redemption transactions***

The Fund Management Company has an obligation to withhold, declare and pay tax in relation to Fund unit redemption transactions from individuals (including domestic and foreign) and from foreign organisations in accordance with regulations. The applicable tax rate is 0.1% of transfer value in accordance with Circular No. 111/2013/TT-BTC dated 15 August 2013 which was amended and supplemented by Circular No. 92/2015/TT-BTC dated 15 June 2015, Circular No. 25/2018/TT-BTC dated 16 March 2018 and Circular No.103/2014/TT-BTC dated 6 August 2014 issued by Ministry of Finance. For the local corporate Unitholders, the Fund Management Company does not withhold any tax in relation to Fund unit redemption transactions from them who are responsible for self declaration and payment of tax to the State Treasury in accordance with Circular No. 78/2014/TT-BTC dated 18 June 2014 which was amended and supplemented by Circular No. 96/2015/TT-BTC dated 22 June 2015 issued by Ministry of Finance.

**(i) Capital issued to Unitholders and capital premium**

***Capital issued to Unitholders***

Fund units with a right for dividends entitlement are classified as capital issued to Unitholders, including subscription capital and redemption capital.

***Subscription capital***

Subscription capital represents the Fund's capital contribution by Fund Unitholders in form of purchasing Fund units on the initial public offering and subsequently to the Fund's establishment date or in form of exchange fund units of other open-ended funds under management of the Fund Management Company for the Fund's units.

Subscription capital is represented at par value of fund certificates.

***Redemption capital***

Redemption capital represents the redemption of Fund units purchased by Fund Unitholders at transaction dates after the Fund was established or in form of exchange the Fund's units for fund units of other open-ended funds under management of the Fund Management Company.

Redemption capital is recognised on first working day after the exchange-traded date.

***Capital premium***

Capital premium represents the difference between Net Asset Value per fund unit and par value of Fund unit in a subscription/redemption transaction and is recognised at the same time with the recognition of subscription/redemption capital.



**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

*(Issued under Circular No. 198/2012/TT-BTC  
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**(j) Retained earnings**

Retained earnings represent undistributed retained profits at the reporting date, including realised and unrealised profits.

Realised profits/(losses) are the differences between the Fund's total revenue, income and total expenses incurred during the year (excluding unrealised gains/(losses) from revaluation of investments).

Unrealised profits/(losses) are the total gains/(losses) from revaluation of investments in the Fund's statement of investment portfolio incurred during the year.

At the end of the accounting period, the Fund determines realised and unrealised profits/(losses) during the year and records in "Retained earnings" in the statement of financial position.

**(k) Fund units and Net Asset Value distributable to Unitholders**

Fund units can be redeemed by Unitholders at announced trading date in exchange for an equivalent amount of cash based on the Net Asset Value distributable to Unitholders at the date before transaction date.

The Fund issues and redeems Fund units at announced trading date based on the Net Asset Value per Fund unit. Net Asset Value per Fund unit is calculated by dividing the Net Asset Value of the Fund by the number of outstanding Fund units at the date before transaction date.

All Fund units issued to Unitholders have the same rights with regard to voting right, dividends, redemption of capital and others. Each issued fund unit carries one vote at annual general meetings of the Fund and is entitled to receive dividend as declared by the Fund from time to time.

Net Asset Value per Fund unit is calculated by dividing the Net Asset Value of the Fund by the number of outstanding Fund unit at the reporting date. Net Asset Value is determined as total assets less total liabilities.

**(l) Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be measured reliably.

**(i) Interest income and dividend income**

Interest income is recognised in the statement of income on accrual basis unless collectability is in doubt.

Dividend income is recognised when the right to receive payment of dividend is established. Share dividend is not recognised as income.

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

*(Issued under Circular No. 198/2012/TT-BTC  
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**(ii) Income from trading securities**

Income from trading securities is recognised in the statement of income upon receipt of the Notice of order matching for trading transactions from the Vietnam Securities Depository (for listed securities) which are verified by the Custodian Bank and completion of the agreement on transfer of assets (for unlisted securities).

**(m) Expenses**

Expenses are recognised in the statement of income on an accrual basis and on prudent basis.

**(n) Segment reporting**

The Fund operates as one segment as investment holding in Vietnam.

**(o) Related parties**

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

Other investment funds under the management of the Fund Management Company and related parties of the Fund Management Company are considered related parties to the Fund in accordance with Law on Securities. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

**(p) Nil balances**

Items or balances required by Circular no. 198/2012/TT-BTC dated 15 November 2012 issued by the Ministry of Finance on the promulgation of accounting system for open-ended funds that are not shown in these financial statements indicate nil balances.

**(q) Comparative information**

Comparative information in these financial statements is presented as corresponding figures. Under this method, comparative information for the prior year are included as an integral part of the current period financial statements and are intended to be read only in relation to the amounts and other disclosures relating to the current period. Accordingly, the comparative information included in these financial statements is not intended to present the Company's financial position, results of operation or cash flows of Fund for the prior year.

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
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**4. Cash in banks and cash equivalents**

	<b>31/12/2022</b>	<b>31/12/2021</b>
	<b>VND</b>	<b>VND</b>
<b>Cash in banks for operating activities of the Fund</b>		
Standard Chartered Bank (Vietnam) Limited	47,318,902,649	29,121,896,968

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**Vietnam Select Equities Investment Fund****Notes to the financial statements for the year ended 31 December 2022 (continued)****Form B06 – QM***(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)***5. Investments**

All investee companies as shown in the statement of investment portfolio are incorporated in Vietnam.

The Fund does not seek to participate in day-to-day financial and operating policy decisions of the investee companies. Accordingly, the Fund does not intend to exert a controlling or significant influence over the investee companies and therefore, the Fund's investments are recorded in accordance with accounting policy set out in Note 3(c), rather than being consolidated or equity accounted.

	<b>Cost VND [1]</b>	<b>Market value VND [2]</b>	<b>Cumulative unrealised losses as at 31/12/2022 VND [3]</b>	<b>Revaluation value VND [4] = [1] + [3]</b>
<b>As at 31 December 2022</b>				
Listed shares and shares traded on UPCoM	3,534,878,882,777	3,297,998,348,400	(236,880,534,377)	3,297,998,348,400
	<b>Cost VND [1]</b>	<b>Market value VND [2]</b>	<b>Cumulative unrealised gains as at 31/12/2021 VND [3]</b>	<b>Revaluation value VND [4] = [1] + [3]</b>
<b>As at 31 December 2021</b>				
Listed shares and shares traded on UPCoM	4,549,480,965,626	5,361,643,307,800	812,162,342,174	5,361,643,307,800

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
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**6. Receivables from sales of investments**

	<b>31/12/2022</b>	<b>31/12/2021</b>
	<b>VND</b>	<b>VND</b>
Receivables from sales of investments	15,821,650,000	26,908,045,000

Receivables from sales of investment represent collections from sales of listed shares which are received after two working days from the trade date (T+2) according to the current regulations on clearing and settlement of securities transactions in Vietnam.

**7. Accrued dividend and interest receivables**

	<b>31/12/2022</b>	<b>31/12/2021</b>
	<b>VND</b>	<b>VND</b>
Dividend receivables not yet due	3,476,100,000	3,975,494,000

**8. Payables for purchases of investments**

	<b>31/12/2022</b>	<b>31/12/2021</b>
	<b>VND</b>	<b>VND</b>
Payables for purchases of investments	41,952,140,000	16,544,600,000

Payables for purchase of investments represent payments for purchases of listed shares which are paid after two working days from the trade date (T+2) according to the current regulations on clearing and settlement of securities transactions in Vietnam.

**9. Accrued expenses**

	<b>31/12/2022</b>	<b>31/12/2021</b>
	<b>VND</b>	<b>VND</b>
Audit fees	132,000,000	99,000,000
Broker fees	86,660,685	65,178,968
Remunerations payable to the Fund Representative Board	28,000,000	40,000,000
	246,660,685	204,178,968

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

**10. Fund’s service fees payable**

	<b>31/12/2022</b>	<b>31/12/2021</b>
	<b>VND</b>	<b>VND</b>
Fund management fees	2,140,847,415	3,390,192,577
Custody fees	85,633,897	135,607,703
Fund administration fees	78,497,739	124,307,061
Supervising fees	62,798,191	99,445,649
Transaction fees	22,100,000	7,600,000
Transfer agency fees	11,000,000	11,000,000
	<hr/>	<hr/>
	2,400,877,242	3,768,152,990
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**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

**11. Capital issued to Fund Unitholders**

According to Establishment Registration Certificate No. 31/GCN-UBCK dated 2 March 2018, the Fund Charter Capital is VND70,798,450,000 equivalent to 7,079,845 Fund units at par value of VND10,000 per Fund unit. As the Fund operates as an open-ended fund, the capital issued to Unitholders and the number of Fund units changed after every transaction.

Movements in capital issued to the Fund Unitholders for the year ended 31 December 2022 were as follows:

	Unit	As at 31/12/2021 VND	Movements during the year VND	As at 31/12/2022 VND
<b>Issued capital</b>				
Quantity (1)	Fund unit	374,543,774.33	-	374,543,774.33
Par value (2)	VND	3,745,437,743,300	-	3,745,437,743,300
Share premium of issued capital (3)	VND	(554,172,293,300)	-	(554,172,293,300)
<b>Total issued capital (4) = (2) + (3)</b>	<b>VND</b>	<b>3,191,265,450,000</b>	<b>-</b>	<b>3,191,265,450,000</b>
<b>Redemption capital</b>				
Quantity (5)	Fund unit	(5,755,860.10)	(64,980,000.00)	(70,735,860.10)
Par value (6)	VND	(57,558,601,000)	(649,800,000,000)	(707,358,601,000)
Share discount of redeemed capital (7)	VND	(366,564,611)	(100,428,369,600)	(100,794,934,211)
<b>Total redeemed capital (8) = (6) + (7)</b>	<b>VND</b>	<b>(57,925,165,611)</b>	<b>(750,228,369,600)</b>	<b>(808,153,535,211)</b>
<b>Number of outstanding fund units (9) = (1) + (5)</b>	<b>Fund unit</b>	<b>368,787,914.23</b>	<b>(64,980,000.00)</b>	<b>303,807,914.23</b>
<b>Total contributed capital at par value (10) = (2) + (6)</b>	<b>VND</b>	<b>3,687,879,142,300</b>	<b>(649,800,000,000)</b>	<b>3,038,079,142,300</b>
<b>Share premium (11) = (3) + (7)</b>	<b>VND</b>	<b>(554,538,857,911)</b>	<b>(100,428,369,600)</b>	<b>(654,967,227,511)</b>
<b>Retained profits (12)</b>	<b>VND</b>	<b>2,267,791,412,014</b>	<b>(1,330,911,780,445)</b>	<b>936,879,631,569</b>
<b>Current NAV (13) = (10) + (11) + (12)</b>	<b>VND</b>	<b>5,401,131,696,403</b>	<b>Not applicable</b>	<b>3,319,991,546,358</b>
<b>Current NAV/ Fund unit (14) = (13)/(9)</b>	<b>VND</b>	<b>14,645.63</b>	<b>Not applicable</b>	<b>10,927.92</b>

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**  
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**12. Retained profit**

	<b>2022</b> <b>VND</b>	<b>2021</b> <b>VND</b>
Retained profits at the beginning of the year	2,267,791,412,014	632,322,733,837
Net (loss)/profit for the year	(1,330,911,780,445)	1,635,468,678,177
<i>In which</i>		
▪ <i>Undistributed realised (loss)/profit</i>	(281,868,903,894)	1,322,010,873,760
▪ <i>Unrealised (loss)/profit</i>	(1,049,042,876,551)	313,457,804,417
Retained profits at the end of the year	936,879,631,569	2,267,791,412,014

**13. Dividend income**

	<b>2022</b> <b>VND</b>	<b>2021</b> <b>VND</b>
Dividends received	33,968,211,980	22,808,657,664
Accrued dividends	3,476,100,000	3,975,494,000
	37,444,311,980	26,784,151,664

**14. Interest income**

	<b>2022</b> <b>VND</b>	<b>2021</b> <b>VND</b>
Interest received (Note 21)	1,105,936,596	437,440,868



**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)*

**15. Realised (losses)/gains on sales of investments**

**Year ended 31 December 2022**

Investment portfolio	Proceeds VND [1]	Average cost VND [2]	Losses on sales of investments during 2022 VND [3] = [1] – [2]	Accumulated gains on sales of investments at the beginning of the year VND [4]	Accumulated gains on sales of investments up to 31/12/2022 VND [5] = [3] + [4]
Listed shares and shares traded on UPCoM	8,025,276,358,910	8,287,026,649,849	(261,750,290,939)	1,489,140,209,306	1,227,389,918,367

**Year ended 31 December 2021**

Investment portfolio	Proceeds VND [1]	Average cost VND [2]	Gains on sales of investments during 2021 VND [3] = [1] – [2]	Accumulated gains on sales of investments at the beginning of the year VND [4]	Accumulated gains on sales of investments up to 31/12/2021 VND [5] = [3] + [4]
Listed shares and shares traded on UPCoM	6,699,542,240,785	5,346,780,183,817	1,352,762,056,968	136,378,152,338	1,489,140,209,306

**Vietnam Select Equities Investment Fund**

**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

*(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)*

**16. Unrealised (losses)/gains from revaluation of investments**

**Year ended 31 December 2022**

<b>Investment portfolio</b>	<b>Cost VND [1]</b>	<b>Market value at 31/12/2022 VND [2]</b>	<b>Unrealised losses on revaluation at 31/12/2022 VND [3] = [2] – [1]</b>	<b>Unrealised gains on revaluation at 31/12/2021 VND [4]</b>	<b>Net unrealised losses on revaluation recognised during the year VND [5] = [3] – [4]</b>
Listed shares	3,534,878,882,777	3,297,998,348,400	(236,880,534,377)	812,162,342,174	(1,049,042,876,551)

**Year ended 31 December 2021**

<b>Investment portfolio</b>	<b>Cost VND [1]</b>	<b>Market value at 31/12/2021 VND [2]</b>	<b>Unrealised gains on revaluation at 31/12/2021 VND [3] = [2] – [1]</b>	<b>Unrealised gains on revaluation at 31/12/2020 VND [4]</b>	<b>Net unrealised gains on revaluation recognised during the year VND [5] = [3] – [4]</b>
Listed shares	4,549,480,965,626	5,361,643,307,800	812,162,342,174	498,704,537,757	313,457,804,417

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
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**17. Transaction fees from buying, selling investments**

	<b>2022</b>	<b>2021</b>
	<b>VND</b>	<b>VND</b>
Brokerage fees from purchases (a)	9,405,796,484	11,295,441,402
Brokerage fees from sales (b)	10,316,829,454	9,341,586,582
Settlement charges at Vietnam Securities Depository	51,222,021	30,848,281
	19,773,847,959	20,667,876,265
	19,773,847,959	20,667,876,265

**(a) Transaction fees from buying investments**

	<b>2022</b>	<b>2021</b>
	<b>VND</b>	<b>VND</b>
Listed shares	9,405,796,484	11,295,441,402
	9,405,796,484	11,295,441,402

**(b) Transaction fees from selling investments**

	<b>2022</b>	<b>2021</b>
	<b>VND</b>	<b>VND</b>
Listed shares	10,316,829,454	9,341,586,582
	10,316,829,454	9,341,586,582

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
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During the year, the Fund’s securities trading transactions were carried out mainly through the following securities companies:

*For the year ended 31 December 2022*

No.	Name of securities companies (with transaction value from 5% of the Fund’s total transaction value for the period) [1]	Relationship with the Fund Management Company [2]	<u>The Fund’s transaction value through securities companies</u>				
			The Fund’s transaction value for the year through securities companies [3]	The Fund’s total transaction value for the year (*) [4]	Percentage of the Fund’s transaction value through securities company for the year [5] = [3]/[4]%	Average transaction fee rate [6]	Market average transaction fee rate [7]
1	KIS Vietnam Securities Corporation	Not related	3,965,122,282,000	15,263,155,175,910	25.98%	0.07%	0.00%-0.45%
2	Tan Viet Securities Incorporation	Not related	3,265,102,830,000	15,263,155,175,910	21.39%	0.15%	0.00%-0.45%
3	Ho Chi Minh City Securities Corporation	Not related	2,778,779,262,950	15,263,155,175,910	18.21%	0.15%	0.00%-0.45%
4	Bao Viet Securities Joint Stock Company	Not related	2,263,369,013,000	15,263,155,175,910	14.83%	0.15%	0.00%-0.45%
5	Viet Capital Securities Joint Stock Company	Not related	2,258,346,255,000	15,263,155,175,910	14.80%	0.15%	0.00%-0.45%
<b>Total</b>			<b>14,530,719,642,950</b>		<b>95.20%</b>		

(\*) Total transaction value during the year performed by the Fund includes all transactions of listed securities and odd-lot securities transactions.

**Vietnam Select Equities Investment Fund**

**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

*(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)*

*For the year ended 31 December 2021*

No.	Name of securities companies (with transaction value from 5% of the Fund's total transaction value for the period) [1]	Relationship with the Fund Management Company [2]	<u>The Fund's transaction value through securities companies</u>				
			The Fund's transaction value for the year through securities companies [3]	The Fund's total transaction value for the year (*) [4]	Percentage of the Fund's transaction value through securities company for the year [5] = [3]/[4] %	Average transaction fee rate [6]	Market average transaction fee rate [7]
1	Tan Viet Securities Incorporation	Not related	4,088,293,730,000	14,643,757,733,585	27.92%	0.15%	0.00%-0.50%
2	Ho Chi Minh City Securities Corporation	Not related	2,993,618,419,000	14,643,757,733,585	20.44%	0.15%	0.00%-0.50%
3	Bao Viet Securities Joint Stock Company	Not related	1,905,514,775,000	14,643,757,733,585	13.01%	0.15%	0.00%-0.50%
4	SSI Securities Corporation	Not related	1,728,050,305,000	14,643,757,733,585	11.80%	0.15%	0.00%-0.50%
5	KIS Vietnam Securities Corporation	Not related	1,639,712,755,000	14,643,757,733,585	11.20%	0.07%	0.00%-0.50%
6	Viet Capital Securities Joint Stock Company	Not related	1,233,623,300,000	14,643,757,733,585	8.42%	0.15%	0.00%-0.50%
7	Thien Viet Securities Joint Stock Company	Not related	1,013,366,280,000	14,643,757,733,585	6.92%	0.15%	0.00%-0.50%
<b>Total</b>			<b>14,602,179,564,000</b>		<b>99.71 %</b>		

(\*) Total transaction value during the year performed by the Fund includes all transactions of listed securities and odd-lot securities transactions.



**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
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**18. Custody fee**

	<b>2022</b>	<b>2021</b>
	<b>VND</b>	<b>VND</b>
Safe keeping fee paid to Supervisory Bank (Note 21)	1,363,474,881	1,375,915,505
Custodian service fee paid to Vietnam Securities Depository	326,373,169	232,814,720
Transaction fee paid to Supervisory Bank (Note 21)	152,600,000	121,580,000
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	1,842,448,050	1,730,310,225
	<hr/> <hr/>	<hr/> <hr/>

**19. Other operating expenses**

	<b>2022</b>	<b>2021</b>
	<b>VND</b>	<b>VND</b>
Fund Representative Board's remunerations (Note 21)	213,612,903	260,000,000
Responsibility Insurance of The Fund Representative Board	151,800,000	-
Bank charges	8,630,179	8,289,513
Annual management fee paid to State Securities Committee	7,500,000	-
Information retrieving fee paid to Vietnam Securities Depository	1,100,000	1,100,000
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	382,643,082	269,389,513
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**Vietnam Select Equities Investment Fund**

**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

**20. Net Asset Value**

No.	NAV period	For the year ended 31/12/2022			
		Net Asset Value (NAV) VND [1]	Number of Fund units Units [2]	NAV per Fund unit VND/unit [3] = [1]/[2]	Increase/ (decrease) in NAV per Fund unit VND/unit
1	31/12/2021	5,401,131,696,403	368,787,914.23	14,645.63	
2	04/01/2022	5,469,008,001,207	368,787,914.23	14,829.68	184.05
3	11/01/2022	5,320,403,881,627	368,787,914.23	14,426.73	(402.95)
4	18/01/2022	5,172,002,587,846	368,787,914.23	14,024.32	(402.41)
5	25/01/2022	5,364,152,829,714	368,787,914.23	14,545.35	521.03
6	27/01/2022	5,370,199,635,504	368,787,914.23	14,561.75	16.40
7	31/01/2022	5,441,232,241,420	368,787,914.23	14,754.36	192.61
8	08/02/2022	5,565,046,375,080	368,787,914.23	15,090.09	335.73
9	15/02/2022	5,475,149,184,947	368,787,914.23	14,846.33	(243.76)
10	22/02/2022	5,526,122,814,927	366,887,914.23	15,062.15	215.82
11	28/02/2022	5,545,132,139,139	366,887,914.23	15,113.96	51.81
12	01/03/2022	5,551,353,428,377	366,887,914.23	15,130.92	16.96
13	08/03/2022	5,410,085,321,501	366,887,914.23	14,745.88	(385.04)
14	15/03/2022	5,398,154,264,315	366,887,914.23	14,713.36	(32.52)
15	22/03/2022	5,514,767,301,946	362,987,914.23	15,192.70	479.34
16	29/03/2022	5,562,491,317,629	362,987,914.23	15,324.17	131.47
17	31/03/2022	5,449,607,138,288	355,387,914.23	15,334.25	10.08
18	05/04/2022	5,578,136,000,212	355,387,914.23	15,695.90	361.65
19	12/04/2022	5,391,820,897,010	355,387,914.23	15,171.64	(524.26)
20	19/04/2022	5,168,314,899,984	355,387,914.23	14,542.74	(628.90)
21	26/04/2022	4,997,739,600,685	355,387,914.23	14,062.77	(479.97)
22	30/04/2022	5,111,959,416,145	355,387,914.23	14,384.16	321.39
23	03/05/2022	5,111,607,207,197	355,387,914.23	14,383.17	(0.99)
24	10/05/2022	4,730,472,311,527	355,387,914.23	13,310.72	(1,072.45)
25	17/05/2022	4,474,862,277,581	355,387,914.23	12,591.48	(719.24)
26	24/05/2022	4,517,771,911,935	355,387,914.23	12,712.22	120.74
27	31/05/2022	4,787,069,727,905	355,387,914.23	13,469.98	757.76
28	07/06/2022	4,756,123,532,071	355,387,914.23	13,382.90	(87.08)
29	14/06/2022	4,549,384,058,786	355,387,914.23	12,801.17	(581.73)
30	21/06/2022	4,326,405,798,088	355,387,914.23	12,173.75	(627.42)
31	28/06/2022	4,543,168,485,310	355,387,914.23	12,783.68	609.93
32	30/06/2022	4,448,760,548,022	355,387,914.23	12,518.04	(265.64)
33	05/07/2022	4,391,576,796,066	355,387,914.23	12,357.13	(160.91)
34	12/07/2022	4,359,677,739,707	355,387,914.23	12,267.37	(89.76)
35	19/07/2022	4,313,459,281,197	355,387,914.23	12,137.32	(130.05)
36	26/07/2022	4,341,861,285,938	355,387,914.23	12,217.24	79.92
37	31/07/2022	4,428,278,669,442	355,387,914.23	12,460.40	243.16
38	02/08/2022	4,533,105,538,293	355,387,914.23	12,755.37	294.97
39	09/08/2022	4,616,832,206,509	355,387,914.23	12,990.96	235.59
40	16/08/2022	4,675,401,728,891	355,387,914.23	13,155.77	164.81
41	23/08/2022	4,662,707,949,645	355,007,914.23	13,134.09	(21.68)

**Vietnam Select Equities Investment Fund**  
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**For the year ended 31/12/2022**

No.	NAV period	Net Asset Value (NAV) VND [1]	Number of Fund units CCQ [2]	NAV per Fund unit VND/CCQ [3] = [1]/[2]	Increase/ (decrease) in NAV per Fund unit VND/CCQ
42	30/08/2022	4,724,737,846,083	355,007,914.23	13,308.82	174.73
43	31/08/2022	4,740,480,182,903	355,007,914.23	13,353.16	44.34
44	06/09/2022	4,710,315,677,771	355,007,914.23	13,268.19	(84.97)
45	13/09/2022	4,609,253,182,479	355,007,914.23	12,983.52	(284.67)
46	20/09/2022	4,496,997,512,956	355,007,914.23	12,667.31	(316.21)
47	27/09/2022	4,300,000,171,755	355,007,914.23	12,112.40	(554.91)
48	30/09/2022	4,244,921,607,546	355,007,914.23	11,957.25	(155.15)
49	04/10/2022	4,024,115,822,113	355,007,914.23	11,335.28	(621.97)
50	11/10/2022	3,767,878,078,763	355,007,914.23	10,613.50	(721.78)
51	18/10/2022	3,973,438,513,770	355,007,914.23	11,192.53	579.03
52	25/10/2022	3,722,029,570,745	355,007,914.23	10,484.35	(708.18)
53	31/10/2022	3,590,744,742,981	335,007,914.23	10,718.38	234.03
54	01/11/2022	3,577,788,416,993	335,007,914.23	10,679.71	(38.67)
55	08/11/2022	3,153,615,559,562	306,007,914.23	10,305.66	(374.05)
56	15/11/2022	2,926,018,657,775	306,007,914.23	9,561.90	(743.76)
57	22/11/2022	3,071,174,882,347	306,007,914.23	10,036.25	474.35
58	29/11/2022	3,273,635,979,518	306,007,914.23	10,697.88	661.63
59	30/11/2022	3,336,617,068,207	306,007,914.23	10,903.69	205.81
60	06/12/2022	3,346,943,696,444	306,007,914.23	10,937.44	33.75
61	13/12/2022	3,419,731,098,805	306,007,914.23	11,175.30	237.86
62	20/12/2022	3,388,917,793,710	306,007,914.23	11,074.60	(100.70)
63	27/12/2022	3,307,217,781,563	306,007,914.23	10,807.62	(266.98)
64	31/12/2022	3,319,991,546,358	303,807,914.23	10,927.92	120.30
Average NAV during the year		4,544,249,024,730	Not applicable	Not applicable	Not applicable
The highest level of NAV per Fund unit during the year		Not applicable	Not applicable	Not applicable	(1,072.45)
The lowest level of NAV per Fund unit during the year		Not applicable	Not applicable	Not applicable	(0.99)





**Vietnam Select Equities Investment Fund**  
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**For the year ended 31/12/2021**

No.	NAV period	Net Asset Value (NAV) VND [1]	Number of Fund units Units [2]	NAV per Fund unit VND/unit [3] = [1]/[2]	Increase/ (decrease) in NAV per Fund unit VND/unit
1	31/12/2020	2,636,232,386,421	276,079,186.53	9,548.82	
2	05/01/2021	2,716,272,303,107	276,079,186.53	9,838.74	289.92
3	12/01/2021	2,861,316,976,632	276,064,186.53	10,364.68	525.94
4	19/01/2021	2,737,722,569,672	276,064,186.53	9,916.97	(447.71)
5	26/01/2021	2,855,617,315,975	276,064,186.53	10,344.03	427.06
6	31/01/2021	2,688,108,772,614	276,064,186.53	9,737.26	(606.77)
7	02/02/2021	2,754,189,496,227	276,064,186.53	9,976.62	239.36
8	08/02/2021	2,813,725,599,496	278,419,693.70	10,106.05	129.43
9	16/02/2021	2,900,625,027,364	278,419,693.70	10,418.17	312.12
10	23/02/2021	3,016,996,601,614	278,419,693.70	10,836.14	417.97
11	28/02/2021	3,016,564,442,849	278,119,693.70	10,846.28	10.14
12	02/03/2021	3,050,453,945,691	278,119,693.70	10,968.13	121.85
13	09/03/2021	3,002,047,464,032	280,211,678.32	10,713.49	(254.64)
14	16/03/2021	3,070,354,007,588	280,197,678.32	10,957.81	244.32
15	23/03/2021	3,069,908,008,897	280,194,178.32	10,956.35	(1.46)
16	30/03/2021	3,061,115,863,809	280,194,178.32	10,924.98	(31.37)
17	31/03/2021	3,073,644,001,617	280,194,178.32	10,969.69	44.71
18	06/04/2021	3,205,717,683,355	280,194,178.32	11,441.05	471.36
19	13/04/2021	3,248,822,815,421	280,194,178.32	11,594.89	153.84
20	19/04/2021	3,343,057,935,432	280,194,178.32	11,931.21	336.32
21	27/04/2021	3,307,905,484,884	280,194,178.32	11,805.76	(125.45)
22	30/04/2021	3,389,188,145,129	280,194,178.32	12,095.85	290.09
23	04/05/2021	3,423,551,846,463	280,194,178.32	12,218.49	122.64
24	11/05/2021	4,530,798,105,792	364,901,863.14	12,416.48	197.99
25	18/05/2021	4,615,611,487,180	365,206,538.86	12,638.35	221.87
26	25/05/2021	4,817,393,825,119	365,201,538.86	13,191.05	552.70
27	31/05/2021	4,932,955,596,048	365,191,538.86	13,507.85	316.80
28	01/06/2021	4,990,413,286,277	365,191,538.86	13,665.19	157.34
29	08/06/2021	4,828,263,081,447	365,191,538.86	13,221.18	(444.01)
30	15/06/2021	4,971,034,365,085	363,981,538.86	13,657.38	436.20
31	22/06/2021	4,996,722,633,702	363,981,538.86	13,727.95	70.57
32	29/06/2021	5,104,485,174,840	363,981,538.86	14,024.02	296.07
33	30/06/2021	5,101,533,601,265	363,981,538.86	14,015.91	(8.11)
34	06/07/2021	4,970,035,955,902	363,981,538.86	13,654.63	(361.28)
35	13/07/2021	4,810,583,883,683	363,981,538.86	13,216.56	(438.07)
36	20/07/2021	4,675,320,583,773	363,981,538.86	12,844.93	(371.63)
37	27/07/2021	4,662,631,859,333	363,981,538.86	12,810.07	(34.86)
38	31/07/2021	4,804,795,775,056	363,981,538.86	13,200.65	390.58
39	03/08/2021	4,846,201,740,184	363,981,538.86	13,314.41	113.76
40	10/08/2021	5,014,501,398,507	368,825,914.23	13,595.84	281.43
41	17/08/2021	5,059,021,793,754	368,825,914.23	13,716.55	120.71
42	24/08/2021	4,793,896,416,374	368,825,914.23	12,997.72	(718.83)

**Vietnam Select Equities Investment Fund**  
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**For the year ended 31/12/2021**

<b>No.</b>	<b>NAV period</b>	<b>Net Asset Value (NAV) VND [1]</b>	<b>Number of Fund units Units [2]</b>	<b>NAV per Fund unit VND/unit [3] = [1]/[2]</b>	<b>Increase/ (decrease) in NAV per Fund unit VND/unit</b>
43	31/08/2021	4,855,667,751,152	368,825,914.23	13,165.20	167.48
44	07/09/2021	4,929,076,957,969	368,825,914.23	13,364.23	199.03
45	14/09/2021	4,918,050,627,660	368,825,914.23	13,334.34	(29.89)
46	21/09/2021	4,949,969,170,059	368,825,914.23	13,420.88	86.54
47	28/09/2021	4,967,848,967,695	368,795,914.23	13,470.45	49.57
48	30/09/2021	4,969,668,934,340	368,795,914.23	13,475.39	4.94
49	05/10/2021	4,980,381,872,241	368,795,914.23	13,504.43	29.04
50	12/10/2021	5,182,665,758,936	368,795,914.23	14,052.93	548.50
51	19/10/2021	5,165,533,284,183	368,795,914.23	14,006.48	(46.45)
52	26/10/2021	5,108,464,921,544	368,795,914.23	13,851.73	(154.75)
53	31/10/2021	5,281,315,529,023	368,795,914.23	14,320.42	468.69
54	02/11/2021	5,277,381,549,533	368,795,914.23	14,309.76	(10.66)
55	09/11/2021	5,373,271,118,985	368,795,914.23	14,569.76	260.00
56	16/11/2021	5,348,014,948,988	368,795,914.23	14,501.28	(68.48)
57	23/11/2021	5,381,620,843,113	368,795,914.23	14,592.40	91.12
58	30/11/2021	5,404,005,069,657	368,795,914.23	14,653.10	60.70
59	07/12/2021	5,248,773,927,807	368,795,914.23	14,232.19	(420.91)
60	14/12/2021	5,325,388,395,968	368,795,914.23	14,439.93	207.74
61	21/12/2021	5,320,196,557,042	368,795,914.23	14,425.85	(14.08)
62	28/12/2021	5,357,241,572,369	368,787,914.23	14,526.61	100.76
63	31/12/2022	5,401,131,696,403	368,787,914.23	14,645.63	119.02
Average NAV during the year					
		4,345,879,567,200	Not applicable	Not applicable	Not applicable
The highest level of NAV per Fund unit during the year					
		Not applicable	Not applicable	Not applicable	(718.83)
The lowest level of NAV per Fund unit during the year					
		Not applicable	Not applicable	Not applicable	(1.46)

**Vietnam Select Equities Investment Fund**  
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**21. Related parties and key contracts**

**(a) Related parties**

***Transactions with Dragon Capital VietFund Management Joint Stock Company, the Fund Management Company***

	<b>2022</b>	<b>2021</b>
	<b>VND</b>	<b>VND</b>
Management fees	34,086,872,049	32,598,976,229

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In accordance with the Fund’s Charter, the management fee rate is 0.75% per annum. The fee is calculated on each valuation period based on NAV at the date before the valuation date and the number of days in the valuation cycle. Management fee paid to the Fund Management Company equals to sum of fees calculated (accrued) on each valuation date during the reporting period minus true up adjustment (if any) at the end of the accounting period to ensure total management and other fees paid by the Fund is compliant with relevant regulations.

***Transactions with Fund Representative Board***

	<b>2022</b>	<b>2021</b>
	<b>VND</b>	<b>VND</b>
Fund Representative Board’s remunerations (Note 19)	213,612,903	260,000,000

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Other than remunerations in accordance with the Fund Charter, there are no contracts to which the Fund and any member of the Fund Representative Board is a party where a member of the Fund Representative Board has a material interest. Remunerations to members of the Fund Representative Board are recognised as expenses of the Fund in the statement of income.

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**(b) Key contracts**

***Standard Chartered Bank Vietnam (“Standard Chartered”) – Supervising Bank and Custodian Bank***

	<b>2022</b>	<b>2021</b>
	<b>VND</b>	<b>VND</b>
Custody fee (Note 18)	1,363,474,881	1,375,915,505
Fund administration fee	1,252,938,813	1,472,328,164
Interest income (Note 14)	1,105,936,596	437,440,868
Supervising fee	999,881,578	956,236,636
Securities transaction fee (Note 18)	152,600,000	121,580,000
Bank Charges	8,630,179	8,044,300

The Fund has appointed Standard Chartered Bank (Vietnam) Ltd. (“Standard Chartered”) to be the Custodian Bank and Supervising Bank of the Fund. Standard Chartered was authorised by the Fund Management Company to provide fund administration service. In accordance with the Fund Charter, the Fund has to pay custody and supervising fees and fund administration fees to the respective service providers on a monthly basis. Fees are calculated on each valuation period based on NAV at the date before valuation date. The monthly fees are total fee calculated for valuation periods within the month which are not less than minimum fees but do not exceed the maximum fees frame as follows:

<b>Service</b>	<b>Fee</b>
Safe keeping fee	From 1 January 2022 to 5 April 2022: <ul style="list-style-type: none"> <li>▪ NAV less than VND1,000 billion: 0.04% NAV per annum</li> <li>▪ NAV from VND1,000 billion to VND2,000 billion: 0.035% NAV per annum</li> <li>▪ NAV more than VND2,000 billion: 0.03% NAV per annum</li> <li>▪ At least VND23,000,000/month</li> </ul> From 6 April 2022: <ul style="list-style-type: none"> <li>▪ Maximum 0.04% NAV per annum</li> </ul>
Supervising fee	<ul style="list-style-type: none"> <li>▪ Maximum 0.02% NAV per annum. At least VND17,000,000/month</li> </ul>
Fund administration fee	From 1 January 2022 to 5 April 2022: <ul style="list-style-type: none"> <li>▪ NAV less than VND500 billion: 0.06% NAV per annum</li> <li>▪ NAV from VND500 billion to VND1,000 billion: 0.05% NAV per annum</li> <li>▪ NAV from VND1,000 billion to VND2,000 billion: 0.04% NAV per annum</li> <li>▪ NAV from VND2,000 billion to VND3,000 billion: 0.03% NAV per annum</li> <li>▪ NAV more than VND3,000 billion: 0.025% NAV per annum</li> <li>▪ At least VND 20,000,000/month</li> </ul> From 6 April 2022: <ul style="list-style-type: none"> <li>▪ Maximum 0.06% NAV per annum</li> </ul>
Securities clearing transaction fee	<ul style="list-style-type: none"> <li>▪ VND100,000/transaction</li> </ul>

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**22. Indices**

	<b>2022</b>	<b>2021</b>
<b>I Investment performance</b>		
<i>Expense ratio</i>		
1 Management fee paid to Fund Management Company/Average NAV during the year (%)	0.75%	0.75%
2 Custody, supervising fee paid to Supervising Bank/Average NAV during the year (%)	0.06%	0.06%
3 Fund administration fee, transfer agency fee and other expenses paid to related service suppliers/Average NAV during the year (%)	0.04%	0.04%
4 Audit fee/Average NAV during the year (%)	0.00%	0.00%
5 Legal advisory fee, quotation fee and other fees, remunerations paid to the Fund Board of Representatives/Average NAV during the year (%)	0.00%	0.01%
6 Operating expenses/Average NAV during the period (%)	1.29%	1.33%
<i>Turnover ratio</i>		
7 Turnover ratio of investment portfolio during the period = (Total value of purchase transactions + total value of sales transactions)/2/Average NAV during the period (%)	168.32%	168.48%
<b>II Other indicators</b>		
<b>1 Capital issued to Fund Unitholders at beginning of the year (par value of fund unit)</b>		
Issued capital at beginning of the year (fund unit)	368,787,914.23	276,079,186.53
Par value of issued capital at beginning of the year (VND)	3,687,879,142,300	2,760,791,865,300
<b>2 Movement of capital issued to Fund Unitholders during the year (par value of fund unit)</b>		
Issued capital during the year (fund unit)	-	94,309,227.70
Par value of issued capital during the year (VND)	-	943,092,277,000
Redemption capital during the year (fund unit)	(64,980,000.00)	(1,600,500.00)
Par value of redemption capital during the year (VND)	(649,800,000,000)	(16,005,000,000)
<b>3 Capital issued to Fund Unitholders at the end of the year (par value of fund unit)</b>		
Issued capital at the end of the year (fund unit)	303,807,914.23	368,787,914.23
Par value of issued capital at the end of the year (VND)	3,038,079,142,300	3,687,879,142,300
<b>4 The % holding of capital issued of Fund management company and related parties</b>	<b>0.003%</b>	<b>0.004%</b>

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	<b>2022</b>	<b>2021</b>
<b>5 The % holding of capital issued of 10 largest investors at the end of the year</b>	<b>99.99%</b>	<b>99.99%</b>
<b>6 The % holding of capital issued of foreign investors at the end of the year</b>	<b>99.92%</b>	<b>99.94%</b>
<b>7 The number of investors in the Fund at the end of the year</b>	<b>20</b>	<b>20</b>
<b>8 NAV/total fund units at the end of the year</b>	<b>10,927.92</b>	<b>14,645.63</b>

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## **23. Financial risk management**

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

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

This note presents information about the Fund’s exposure to each of the above risks, the Fund’s objectives, policies and processes for measuring and managing risk.

The Fund’s investment portfolio comprises listed securities, securities traded on UPCoM and cash at bank. The Management of the Fund Management Company has been given a discretionary authority to manage the Fund’s assets in line with the Fund’s investment objectives. The Fund’s portfolio is monitored closely to ensure that it complies with asset allocation required by regulations and the Fund Charter.

### **(a) Credit risk**

Credit risk is the risk of financial loss to the Fund if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Fund’s cash in banks and accounts receivables.

All current accounts and term deposits were placed with well-known financial institutions where the Fund Representative Board approved and the Fund Management Company does not expect any losses arising from the non-performance of these financial institutions.

The Fund’s listed shares will only be traded on or subject to the rules of the Ho Chi Minh City Stock Exchange, the Hanoi Stock Exchange and the Unlisted Public Company Market or with counterparties which have a specified credit rating. All transactions in listed securities are settled or paid via VSD and for upon delivery using approved brokers. The risk of default is considered minimal.

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**

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Trading or exercising the right to buy shares of the Fund is paid for or performed through approved brokers or issuing agents. The risk of default is considered minimal.

Receivables includes interest receivables from banks deposits, dividends and receivables from sales of investments. The Fund Management Company believes that no allowance for doubtful debts was considered necessary for these receivables as at 31 December 2022 and 31 December 2021.

The maximum exposure to credit risk faced by the Fund is equal to the carrying amounts of cash in banks and receivables from investment activities.

**(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 assets.

The Fund's approach to managing liquidity risk is to ensure that it will always have sufficient reserves of cash to meet its liquidity requirements in the short term and long term.

The Fund's financial assets as at 31 December 2022 and 31 December 2021 mainly included listed securities. The Fund's investments in listed securities are considered to be readily realisable as they are traded on the Ho Chi Minh City Stock Exchange, the Hanoi Stock Exchange and the Unlisted Public Company Market. As a result, the Fund may be able to liquid some of its investments in due time in order to meet its liquidity requirements.

As at 31 December 2022 and 31 December 2021, the contractual maturities of non-derivative financial liabilities were as follows:

<b>As at 31 December 2022</b>	<b>Carrying amount VND</b>	<b>Undiscounted contractual cash flows VND</b>	<b>Within 1 year VND</b>
Payables from purchases of investment	41,952,140,000	41,952,140,000	41,952,140,000
Accrued expenses	246,660,685	246,660,685	246,660,685
Fund's service fees payable	2,400,877,242	2,400,877,242	2,400,877,242
	44,599,677,927	44,599,677,927	44,599,677,927
<b>As at 31 December 2021</b>	<b>Carrying Amount VND</b>	<b>Undiscounted contractual cash flows VND</b>	<b>Within 1 year VND</b>
Payables from purchases of investment	16,544,600,000	16,544,600,000	16,544,600,000
Accrued expenses	204,178,968	204,178,968	204,178,968
Fund's service fees payable	3,768,152,990	3,768,152,990	3,768,152,990
	20,516,931,958	20,516,931,958	20,516,931,958

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

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*(Issued under Circular No. 198/2012/TT-BTC  
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**(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 holdings of financial instruments.

**(i) 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. The Fund's exposure to market risk due to change in interest rates is minimal since all term deposits have short-term maturities.

**(ii) 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 Vietnam Dong, which is the Fund's accounting currency.

**(iii) Market price risk**

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

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

As at 31 December 2022, the market value of the Fund's listed shares is VND3,297,998,348,400. For the year ended 31 December 2022, the difference between the highest and lowest monthly VN-Index was approximately 48%. Had the market prices of these securities declined or increased by 48% as at 31 December 2022 with all other variables remaining constant, the Fund's Net Asset Value would have decreased or increased by VND1,583,039,207,232.



**Vietnam Select Equities Investment Fund****Notes to the financial statements for the year ended 31 December 2022 (continued)****Form B06 – QM***(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)***(d) Fair value**

Fair value is the value which is appropriate for market price that can be generated when selling an asset or transferring a liability at that time.

**(i) Fair value versus carrying value**

The table below presents the carrying value and fair value of the Fund's financial assets and liabilities:

	<b>31/12/2022</b>		<b>31/12/2021</b>	
	<b>Carrying Value VND</b>	<b>Fair Value VND</b>	<b>Carrying Value VND</b>	<b>Fair Value VND</b>
<b>Financial assets</b>				
<i>Categorised as financial assets at fair value through profit or loss:</i>				
Listed shares	3,297,998,348,400	3,297,998,348,400	5,361,643,307,800	5,361,643,307,800
<i>Categorised as loans and receivables:</i>				
Cash in banks and cash equivalents	47,318,902,649	47,318,902,649	29,121,896,968	29,121,896,968
Interest and dividend receivables	19,297,750,000	19,297,750,000	30,883,539,000	30,883,539,000
<b>Financial liabilities</b>				
<i>Categorised as financial liabilities carried at amortised cost:</i>				
Payables from purchases of investment	41,952,140,000	41,952,140,000	16,544,600,000	16,544,600,000
Accrued expenses	246,660,685	246,660,685	204,178,968	204,178,968
Fund's service fees payable	2,400,877,242	2,400,877,242	3,768,152,990	3,768,152,990

**Vietnam Select Equities Investment Fund**  
**Notes to the financial statements for the year ended 31 December 2022 (continued)**

**Form B06 – QM**  
(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)

**(ii) Basis for determining fair values**

The Fund uses the following methods and assumptions in estimation of fair value for financial assets and liabilities:

- Fair values of cash in banks and term deposits at banks are equal to their carrying values at the reporting date.
- Fair values of securities which are listed on the Ho Chi Minh City Stock Exchange, the Hanoi Stock Exchange and the Unlisted Public Company Market are the closing prices (or other names, depending on the internal regulations of the Stock Exchange) of the most recent trading date of the securities prior to the valuation date.
- Fair value of a right is determined by the difference between the market price of the stock at the reporting date and the amount actually paid to exercise the right on the date of announcement, multiplied by the percentage required to purchase a new share.
- Fair values of other financial assets and liabilities approximate their carrying values as at the reporting date due to their short-term maturity of these financial instruments.

**24. Post balance sheet events**

There were no significant events occurring after the balance sheet date which require adjustments or disclosures in the Fund's financial statements for the year ended 31 December 2022.

**25. Comparative information**

Comparative information is carried over from the amounts presented in the financial statements as at and for the year ended 31 December 2021.

**26. Approval for issue of the financial statements**

The financial statements for the year ended 31 December 2022 were authorised for issue by the Fund Representative Board on 6 March 2023.

6 March 2023

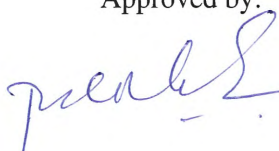
Dragon Capital VietFund Management Joint Stock Company

Prepared by:



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Fund Accountant

Approved by:



Ms. Ninh Thi Tue Minh  
Fund Accounting Manager

Approved by:



Mr. Beat Schurch  
Chief Executive Officer

