



**Dragon Capital Vietfund Management
Joint Stock Company**

**Financial Safety Ratio Report
as of 30 June 2023**



Dragon Capital Vietfund Management Joint Stock Company Corporation Information

Investment Licence No. 01/GPDT-UBCKNN 15 July 2003

Establishment

and Operation Licence No. 179/QD-UBCK	18 August 2003
58/QD-UBCK	7 March 2005
766/QD-UBCK	8 December 2006
253/QD-UBCK	5 April 2007
16/UBCK-GP	23 June 2008
45/UBCK-GP	8 January 2009
63/UBCK-GP	24 February 2010
73/UBCK-GP	24 June 2010
79/UBCK-GP	4 November 2010
361/QD-UBCK	18 April 2012
36/GPDC-UBCK	28 May 2012
17/GPDC-UBCK	3 June 2013
06/GPDC-UBCK	30 January 2019
88/GPDC-UBCK	30 December 2020
39/GPDC-UBCK	8 June 2021
76/GPDC-UBCK	7 September 2021

The Establishment and Operation Licence and their updates were issued by the State Securities Commission of Vietnam and are valid for 50 years from the date of the Establishment and Operation Licence No. 45/UBCK-GP.

Board of Directors	Mr. Dominic Timothy Charles Scriven Mr. Tran Thanh Tan Mr. Beat Schurch Mr. Le Anh Minh Mr. Nguyen Quoc Huan (Johan Nyvene)	Chairman Vice Chairman Member Member Member
Board of Management	Mr. Beat Schurch	Chief Executive Officer
Audit Committee	Mr. Nguyen Quoc Huan (Johan Nyvene) Mr. Le Anh Minh	Chairman Member
Registered Office	15 th Floor, Me Linh Point 2 Ngo Duc Ke Street, Ben Nghe Ward District 1, Ho Chi Minh City Vietnam	
Auditor	KPMG Limited Vietnam	

**Dragon Capital Vietfund Management
Joint Stock Company**
Re: Financial Safety Ratio Report

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

To: The State Securities Commission of Vietnam

FINANCIAL SAFETY RATIO REPORT

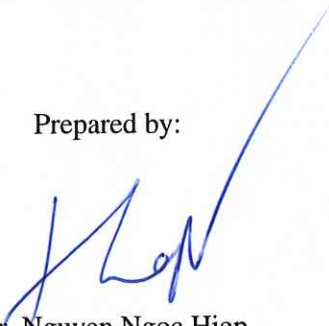
As of 30 June 2023

We undertake as follows:

- (1) This report has been prepared based on up-to-date data at the reporting date and in accordance with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance regulating financial safety ratios and measures for non-compliance applicable to securities business organisations;
- (2) The issues having impact on the Company's financial position that may arise after the reporting date will be updated in the next reporting period;
- (3) We fully accept legal responsibilities for the accuracy and fairness of the contents of this report.

10 August 2023

Prepared by:


Mr. Nguyen Ngoc Hiep
Chief Accountant

Reviewed by:


Ms. Vuong Thi Tram Anh
Internal Control

Approved by:


Mr. Beat Schurch
Chief Executive Officer





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10th Floor, Sun Wah Tower
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REVIEW REPORT ON FINANCIAL SAFETY RATIO REPORT

To the Board of Directors Dragon Capital Vietfund Management Joint Stock Company

We have reviewed the Financial Safety Ratio Report of Dragon Capital Vietfund Management Joint Stock Company (“the Company”) as of 30 June 2023 including the explanatory notes thereto which was authorised for issue by the Company’s Board of Management on 10 August 2023, as set out on pages 5 to 31.

Management’s Responsibility

The Company’s Board of Management is responsible for the preparation and presentation of the Financial Safety Ratio Report in accordance with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 (“Circular 91”) issued by the Ministry of Finance regulating financial safety ratios and measures for non-compliance applicable to securities business organisations, and for such internal control as the Board of Management determines is necessary to enable the preparation of the Financial Safety Ratio Report that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

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

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



Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Financial Safety Ratio Report of Dragon Capital Vietfund Management Joint Stock Company as of 30 June 2023 is not prepared, in all material respects, in accordance with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance regulating financial safety ratios and measures for non-compliance applicable to securities business organisations.

Basis of Preparation and Restriction on Use

We draw attention to Note 2 to the Financial Safety Ratio Report, which describes the basis of preparation. The Financial Safety Ratio Report has been prepared to enable the Company to comply with the requirements of Circular 91. As a result, the Financial Safety Ratio Report may not be suitable for another purpose. Our report is intended solely for the Company's submission to the State Securities Commission of Vietnam and disclosure of information as required by Circular 91 and should not be used for any other purposes.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Review Report No.: 23-01-00297-23-2



Nelson Rodriguez Casilan
Practicing Auditor Registration
Certificate No. 2225-2018-007-1
Deputy General Director

Ho Chi Minh City, 10 August 2023

Nguyen Thi Thu Ha
Practicing Auditor Registration
Certificate No. 2236-2018-007-1




Dragon Capital Vietfund Management Joint Stock Company
Financial Safety Ratio Report as of 30 June 2023

No.	Items	Note	Risk value/ liquid capital 30/6/2023
1	Total market risk value (VND)	4	80,527,257,762
2	Total settlement risk value (VND)	5	12,732,256,616
3	Total operational risk value (VND)	6	137,072,071,858
4	Total risk values (4=1+2+3) (VND)		230,331,586,236
5	Liquid capital (VND)	7	710,966,662,549
6	Liquid capital ratio (6=5/4) (%)		308.67%

10 August 2023

Prepared by:



Mr. Nguyen Ngoc Hiep
Chief Accountant

Reviewed by:



Ms. Vuong Thi Tram Anh
Internal Control

Approved by:



Mr. Beat Schurch
Chief Executive Officer

Dragon Capital Vietfund Management Joint Stock Company

Notes to the Financial Safety Ratio Report as of 30 June 2023

These notes form an integral part of and should be read in conjunction with the accompanying Financial Safety Ratio Report.

1. Reporting entity

(a) Ownership structure

Dragon Capital Vietfund Management Joint Stock Company (“the Company”) is a joint stock company incorporated in Vietnam under Investment Licence No. 01/GPDT-UBCKNN issued by the State Securities Committee of Vietnam (“SSC”) on 15 July 2003. The Investment Licence/Establishment and Operation Licence and their amendments are valid for 50 years from 8 January 2009 which is the issuance date of the Establishment and Operation License No. 45/UBCK-GP.

As at 30 June 2023 and 31 December 2022, the Company’s share capital was VND311,419 million.

(b) Principal activities

The principal activities of the Company are to provide securities investment fund management service, securities investment portfolio management service, securities investment consultancy and voluntary supplemental pension fund management service.

(c) Normal business cycle

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

(d) Number of employees

As at 30 June 2023, the Company had 182 employees (31/12/2022: 176 employees), of which 31 employees (31/12/2022: 31 employees) who were qualified for fund and assets management.

2. Basis of preparation

(a) Statement of compliance

The Financial Safety Ratio Report has been prepared to enable the Company to comply with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 (“Circular 91”) issued by the Ministry of Finance regulating financial safety ratios and measures for non-compliance applicable to securities business organisations. Accordingly, the Financial Safety Ratio Report and its utilisation are not designed for those who are not informed about the principles and requirements of Circular 91 on preparation and presentation of Financial Safety Ratio Report applicable to securities business organisations in Vietnam. As a result, the Financial Safety Ratio Report may not be suitable for another purpose.

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

(b) Underlying financial data

The Financial Safety Ratio Report was prepared based on the Company's financial data as of 30 June 2023 and for the twelve-month period then ended. This Financial Safety Ratio Report should be read in conjunction with the Company's interim financial statements for the six-month period ended 30 June 2023.

(c) Accounting and presentation currency

The Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for presentation purpose of Financial Safety Ratio Report.

3. Summary of significant policies adopted in the preparation of the Financial Safety Ratio Report

The following significant policies have been adopted by the Company in the preparation of this Financial Safety Ratio Report.

(a) Liquid capital ratio

The Company's liquid capital ratio is calculated in accordance with the requirements of Circular 91 as follows:

$$\text{Liquid capital ratio} = \frac{\text{Liquid capital}}{\text{Total risk value}} \times 100\%$$

In which, total risk value is the aggregate of market risk value (Note 3(c)), settlement risk value (Note 3(d)) and operational risk value (Note 3(e)).

(b) Liquid capital

Liquid capital is the capital which can be converted into cash within 90 days. The Company's liquid capital includes the following items:

- Owner's investment equity, excluding redeemable preference shares (if any);
- Capital surplus, excluding redeemable preference shares (if any);
- Reserve to supplement charter capital;
- Investment and development funds (if any);
- Financial reserve;
- Other equity funds;
- Retained profits;
- Allowance for diminution in the value of assets;
- 50% of upward revaluation value of fixed assets, if any, in accordance with the prevailing regulations (in case of upward valuation), or subtract the reduction value (in the case downward valuation);
- Foreign exchange difference; and
- Other capital (if any).

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

Additions to the Company's liquid capital include the following items:

- All increases in the values of investments, financial assets stated at book value excluding securities issued by related organisations of the Company and securities with the remaining restricted trading period exceeding 90 days at the reporting date;
- Convertible bonds and preference shares issued by the Company with the original terms to maturity of at least five (5) years, unsecured by assets of the Company, only acquired by the maturity date at the owner's request or acquired on secondary market after notifying the State Securities Commission of Vietnam, stopped paying interest and of which the accumulated interest is transferred to the following year if the interest payment results in the Company's loss and registered with the State Securities Commission of Vietnam to supplement the liquid capital; and
- Other unsecured debt instruments issued by the Company with the original terms to maturity of more than ten (10) years; stopped paying interest and of which the accumulated interest is transferred to the following year if the interest payment results in the Company's loss and registered with the State Securities Commission of Vietnam to supplement the liquid capital.

For debts being convertible into equity and registered with the State Securities Commission of Vietnam to supplement the liquid capital, the Company deducts 20% of original value each year during the last five (5) years before maturity/conversion date into ordinary shares and deducts 25% of the remaining value for each quarter in the last four (4) quarters before maturity/conversion date into ordinary shares. Value of items used to supplement the liquid capital is capped at 50% of the Company's equity.

Deductions from the Company's liquid capital include the following items:

- All decreases in the values of investments, excluding securities issued by related companies of the Company and securities with the remaining restricted trading period exceeding 90 days at the reporting date;
- Long-term assets;
- Current assets, including securities issued by a related organisation of the Company and securities with the remaining restricted trading period exceeding 90 days from the reporting date; prepayments; receivables with the payback period or remaining maturity of over ninety (90) days; advances that must be returned within over ninety (90) days; other current assets;
- Asset items subject to qualifications in the audited financial statements (if any). Items with a qualified, adverse or disclaimer opinion/conclusion in the audited, reviewed financial statements (if any).

When determining the deductions from liquid capital, the Company deducts from the liquid capital an amount equal to the minimum value of the market value of the assets, the book value and the residual value of the obligations (for the assets used as collaterals for the obligations of the Company and third parties) and the minimum value of the market value of the collaterals and the book value (for the assets secured by customers' assets).

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

(c) Market risk value

Market risk value is the value corresponding to the level of loss which may occur if the market value of assets changes unfavourably. Market risk value is determined in accordance with the requirements of Circular 91 as follows:

$$\text{Market risk value} = \text{Net position} * \text{Asset value} * \text{Market risk coefficient}$$

In which, net position of any securities at a point of time is the quantity of securities currently held by the Company, after deducting the number of securities lent out and adding the number of securities borrowed in accordance with the prevailing regulations.

The market risk value excludes the market value of following securities and assets:

- Treasury shares;
- Securities issued by related parties of the Company;
- Securities with the remaining restricted trading period exceeding 90 days at the reporting date;
- Matured bonds, matured debt instruments and matured money market valuable papers; and
- Securities being hedged by call warrants or futures contracts, call warrants and call warrants contracts used to hedge the underlying securities.

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

(i) *Asset value*

Asset value is determined in accordance with the principles for determining market value in Circular 91 as follows:

No.	Type of asset	Principles for determining market value
Cash and cash equivalents, money market instruments		
1	Cash in VND	Account balance at the reporting date
2	Foreign currencies	Value converted into VND at the exchange rate quoted by authorised credit institutions for trading foreign currencies at the reporting date
3	Term deposits	Deposit amount plus accrued interest at the reporting date
4	Treasury bills, overdrafts, commercial papers, transferable certificates of deposits, bonds and other discounted money market instruments	Purchase price plus accrued interest at the reporting date
Bonds		
5	Listed bonds	<ul style="list-style-type: none"> ➤ Average quoted price from the Stock Exchange at the last trading date plus accrued interest (if the quoted price is clean price) ➤ If there were no transactions in two (02) weeks until the reporting date, market value is the highest value of the followings: <ul style="list-style-type: none"> + Purchase price plus accrued interest; + Par value plus accrued interest; and + Value determined in accordance with the Company's internal methodology plus accrued interest. <i>In other words:</i> Max (Purchase price plus accrued interest; Par value plus accrued interest; Value determined in accordance with the Company's internal methodology plus accrued interest)

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

No.	Type of asset	Principles for determining market value
6	Unlisted bonds	<p>The highest value of the followings: + Quoted price (if any) from the quoting system selected by the Company plus accrued interest; + Purchase price plus accrued interest; + Par value plus accrued interest; and + Value determined in accordance with the Company's internal methodology plus accrued interest. <i>In other words:</i> Max (Quoted price (if any); Purchase price plus accrued interest; Par value plus accrued interest; Value determined in accordance with the Company's internal methodology plus accrued interest)</p>
Shares		
7	Shares listed on the Ho Chi Minh City Stock Exchange	<p>➤ Closing price at the last trading date until the reporting date</p> <p>➤ If there was no trading in two (02) weeks until the reporting date, market value is the highest value of the followings: + Book value; + Purchase price; and + Value determined in accordance with the Company's internal methodology. <i>In other words:</i> Max (Book value; Purchase price; Value determined in accordance with the Company's internal methodology)</p>
8	Shares listed on the Hanoi Stock Exchange	<p>➤ Closing price at the last trading date until the reporting date</p> <p>➤ If there was no trading in two (02) weeks until the reporting date, market value is the highest value of the followings: + Book value; + Purchase price; and + Value determined in accordance with the Company's internal methodology. <i>In other words:</i> Max (Book value; Purchase price; Value determined in accordance with the Company's internal methodology)</p>



Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

No.	Type of asset	Principles for determining market value
9	Shares of public companies registered for trading on UpCom	<ul style="list-style-type: none"> ➤ Closing price at the last trading date until the reporting date ➤ If there was no trading in two (02) weeks until the reporting date, market value is the highest value of the followings: <ul style="list-style-type: none"> + Book value; + Purchase price; and + Value determined in accordance with the Company's internal methodology. <p><i>In other words:</i> Max (Book value; Purchase price; Value determined in accordance with the Company's internal methodology)</p>
10	Shares already custodied but not yet listed and not yet registered for trading	<ul style="list-style-type: none"> ➤ Average of the quoted prices from at least three (3) securities companies which are not related to the Company at the last trading date until the reporting date ➤ If there were no sufficient quoted prices from three (3) securities companies, market value is the highest value of the followings: <ul style="list-style-type: none"> + Quoted prices from securities companies; + Price of the latest period; + Book value; + Purchase price; and + Value determined in accordance with the Company's internal methodology. <p><i>In other words:</i> Max (Quoted prices from securities companies; Price of the latest period; Book value; Purchase price; Value determined in accordance with the Company's internal methodology)</p>
11	Shares for which trading has been suspended or shares which have been delisted or cancelled	<p>The highest value of the followings:</p> <ul style="list-style-type: none"> + Book value; + Par value; and + Value determined in accordance with the Company's internal methodology. <p><i>In other words:</i> Max (Book value; Par value; Value determined in accordance with the Company's internal methodology)</p>



Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

No.	Type of asset	Principles for determining market value
12	Shares of organisations which are currently being dissolved or bankrupt	80% of the liquidation value of such shares (distributed value because organisations are dissolved, bankrupt or book value) at the latest balance sheet date, or value determined in accordance with the Company's internal methodology
13	Other shares and capital contribution	The highest value of the followings: + Book value; + Purchase price/capital contribution amount; and + Value determined in accordance with the Company's internal methodology. <i>In other words:</i> Max (Book value; Purchase price/capital contribution amount; Value determined in accordance with the Company's internal methodology)
Funds/Shares of securitites investment companies		
14	Closed-end public funds	<ul style="list-style-type: none"> ➤ Closing price at the last trading date until the reporting date ➤ If there was no trading in two weeks until the reporting date, the latest NAV/fund unit until the reporting date
15	Member funds/Open-ended funds/Shares issued in private placement of securities investment companies	Latest Net asset value per capital contribution unit/fund certificate unit/share until the reporting date
16	Others	Value determined in accordance with the Company's internal methodology
Fixed assets		
17	Land use rights ...	Value determined by an independent valuation organisation appointed by the Company
18	Building and structures, including construction in progress	Value determined by an independent valuation organisation appointed by the Company/Accumulated costs of construction in progress
19	Machinery, equipment and motor vehicles ...	Net book value of the asset
20	Other fixed assets	Value determined by an independent valuation organisation appointed by the Company

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

No.	Type of asset	Principles for determining market value
Other securities		
21	Secured warrants issued by other securities business organisations	<ul style="list-style-type: none"> ➤ Closing price at the last trading date until the reporting date ➤ Purchase price (for unlisted secured warrants)
22	Shares listed on overseas markets	<ul style="list-style-type: none"> ➤ Price (in foreign currency) x exchange rate at the reporting date ➤ Closing price at the last trading date until the reporting date ➤ If there was no trading in two (02) weeks until the reporting date, market value is the highest value of the followings: <ul style="list-style-type: none"> + Book value; + Purchase price; and + Value determined in accordance with the Company's internal methodology. <p><i>In other words:</i> Max (Book value; Purchase price; Value determined in accordance with the Company's internal methodology)</p>



Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

(ii) Market risk coefficient

Market risk coefficient is determined for each type of asset in accordance with the requirements of Circular 91 as disclosed in Note 4.

(iii) Increase in market risk value

The market risk value of each asset will be adjusted upward if the Company significantly invests in such asset, except for secured underwriting securities, Government bonds and bonds guaranteed by the Government. Market risk value is adjusted upward in accordance with the following principles:

- Increase by 10% if the value of any investment in shares and debts of an organisation accounts for more than 10% to 15% of the Company's equity;
- Increase by 20% if the value of any investment in shares and debts of an organisation accounts for more than 15% to 25% of the Company's equity; and
- Increase by 30% if the value of any investment shares and debts of an organisation accounts for more than 25% of the Company's equity.

Dividends, coupons, value of privileged rights of securities (if any) or interest receivables from cash and cash equivalents, transferrable instruments and valuable papers are added to the asset value when determining the market risk value.

(d) Settlement risk value

Settlement risk value is the value corresponding to the level of loss which may occur if a counterparty is unable to settle obligations or transfer assets on time as committed. Settlement risk value is determined at the end of transaction date or contract date as follows:

- Settlement risk value before the due date for transfer of securities, cash and liquidation of contract is determined in accordance with the following principle:

Settlement risk value before due date

*= Value of the asset with potential settlement risk * Settlement risk coefficient by counterparty*

The above principle to determine settlement risk value before due date is applicable for the following contracts:

- Term deposits at credit institutions, certificates of deposit issued by credit institutions;
- Securities lending contracts and securities borrowing contracts in compliance with laws;
- Repurchase agreements in compliance with laws;
- Reverse repurchase agreements in compliance with laws;
- Margin loan contracts in compliance with laws; and
- Accounts receivable relating to securities activities.

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

- Overdue settlement risk value is determined in accordance with the following principle:

$$\text{Overdue settlement risk value} = \text{Settlement risk coefficient by overdue status} \times \text{Value of the asset with potential settlement risks}$$

The above principle to determine the overdue settlement risk value shall be applied to overdue receivables and securities which are not transferred on time, including securities and cash not yet received from the following contracts, transactions:

- Term deposits at credit institutions, deposit certificates of deposits issued by credit institutions;
 - Securities lending contracts and securities borrowing contracts in compliance with laws;
 - Repurchase agreements in compliance with laws;
 - Reverse repurchase agreements in compliance with laws;
 - Margin loan contracts in compliance with laws;
 - Accounts receivable relating to securities activities;
 - Overdue accounts receivable, including matured bonds, valuable papers, debt instruments not yet redeemed on maturity date; and
 - Assets beyond the time of transfer, including securities of the Company, securities of customers relating to securities brokerage activities.
- For advances with remaining term under 90 days is determined in accordance with the following principle:

$$\text{Settlement risk} = \text{Value of the asset with settlement risk} * \text{Settlement risk coefficient}$$

The value of assets with settlement risk is the total value of advances. The settlement coefficient risk respectively is 8% when the total value of advances accounted for 0% to 5% of equity and 100% when accounted for over 5% of equity at the reporting date.

(i) Settlement risk coefficient

In accordance with the requirements of Circular 91, settlement risk coefficient by counterparty is as follows:

No.	Counterparty	Settlement risk coefficient
1	The Government, issuing organisations guaranteed by the Government and Central banks of countries in the OECD, People's Committee of provinces and cities under Central authority	0%
2	The Stock Exchanges, Vietnam Securities Depository and Clearing Corporation	0.8%
3	Credit institutions, financial institutions, and securities trading companies established in the countries in the OECD and with a credit rating satisfying the internal rules of the Company	3.2%
4	Credit institutions, financial institutions, and securities trading companies established in the countries outside the OECD; or established in the countries in the OECD but with a credit rating not satisfying the internal rules of the Company	4.8%
5	Credit institutions, financial institutions, securities trading companies, securities investment funds, securities investment companies established and operating in Vietnam	6%
6	Other organisations, individuals and others.	8%

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

In accordance with the requirements of Circular 91, settlement risk coefficient by overdue status is as follows:

No.	Overdue status for settlement/transfer of securities	Settlement risk coefficient
1	0 - 15 days after the due date for settlement/transfer of securities	16%
2	16 - 30 days after the due date for settlement/transfer of securities	32%
3	31 - 60 days after the due date for settlement/transfer of securities	48%
4	Above 60 days after the due date for settlement/transfer of securities	100%

Time for settlement/transfer of securities is in accordance with regulations on derivative securities (for derivative securities), T+2 (for listed securities), T+1 (for listed bonds), or T+n (for transactions agreed outside the trading system).

(ii) Value of assets with potential settlement risk

- *Value of assets with potential settlement risk in securities borrowing activities, securities lending activities, margin trading activities, and repurchase/reverse repurchase agreements:*

No.	Type of transaction	Value of assets with settlement risks
1	Term deposits, deposit certificates and unsecured loans	Total value of the deposit, deposits certificates, loans, contract value, trading value plus dividend, coupon, right value (applicable to securities) or accrued interest from deposits, loans, fees (applicables to loans).
2	Securities lending	Max {(Market value of the contract – Value of collateral assets (if any)), 0}
3	Securities borrowings	Max {(Value of collateral assets – Market value of the contract), 0}
4	Reverse repurchase agreements	Max {(Contract value calculated in accordance with purchase price – Market value of the contract * (1 – Market risk coefficient)), 0}
5	Repurchase agreements	Max {Market value of the contract * (1 – Market risk coefficient) – Contract value based on the selling price), 0}
6	Margin loans (lending to customers to purchase securities)/other arrangements with similar nature	Max {(Outstanding loan balance – Value of collateral assets), 0}

Outstanding balance comprises principal, interest and related fees.

Value of collateral assets is determined based on market value. When the market value of collateral assets is not available, the value of collateral assets is determined in accordance with Company's internal methodology.

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

➤ *Value of assets with potential settlement risk in securities trading activities:*

No.	Time	Value of assets with potential settlement risks
A. For sale of securities transactions (seller is the Company or the Company's customers in brokerage activities)		
1	Before the due date for settlement	Nil
2	After the due date for settlement	Market value of the contract (if the market value is lower than the transaction price)
		Nil (if the market value is higher than the transaction price)
B. For purchase of securities transactions (buyer is the Company or the Company's customers in brokerage activities)		
1	Before the due date for securities transfer	Nil
2	After the due date for securities transfer	Market value of the contract (if the market value is higher than the transaction price)
		Nil (if the market value is lower than the transaction price)

➤ *Settlement risk values of accounts receivable, bonds and debt instruments in due are the underlying amounts including par value and accrued interest and fees, less actual cash previously received (if any).*

(iii) Deductions from the value of assets with potential settlement risk

The Company deducts the value of collateral assets received from counterparties or customers from the value of assets with settlement risk when determining the value of assets with potential settlement risks if the contracts and transactions meet the following criteria:

- The counterparties, customers have collateral assets to secure for their obligations including cash, cash equivalents, valuable papers, transferable money market instruments, listed securities on the Vietnam Stock Exchanges and its subsidiaries (collectively Stock Exchange), Government bonds, or bonds underwritten by the Ministry of Finance; and
- The Company has the right to control, manage, use or transfer the collateral assets if the counterparties fail to settle the obligations according to the contractual schedules.

Value of collateral assets deducted from the value of assets with potential settlement risk is calculated as follows:

$$\text{Value of collateral assets} = \text{Asset quantity} * \text{Unit price} * (1 - \text{Market risk coefficient})$$

Asset value is determined in accordance with the requirements of Circular 91 as described in Note 3(c)(i).

Market risk coefficient is determined in accordance with the requirements of Circular 91 as disclosed in Note 4.

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

(iv) Increase in settlement risk value

Settlement risk values are adjusted upward in the following cases:

- Increase by 10% if the value of term deposits, deposit certificates, loans, undue receivables, reverse repurchase agreements, repurchase agreements to any organisation or individual and group of related organisations and individuals (if any) accounts for more than 10% to 15% of the Company's equity;
- Increase by 20% if the value of term deposits, deposits certificates, loans, undue receivables, reverse repurchase agreements, repurchase agreements to any organisation or individual and group of related organisations and individuals (if any), accounts for more than 15% to 25% of the Company's equity;
- Increase by 30% if the value of term deposits, deposits certificates, loans, undue receivables, reverse repurchase agreements, repurchase agreements to any organisation or individual and group of related organisations and individuals (if any), or to any individuals and entities related to such individuals (if any), accounts for more than 25% of the Company's equity.

(v) Netting off value of assets with potential settlement risk

The value of assets with potential settlement risk is netted off if:

- The settlement risk is related to the same counterparty;
- The settlement risk arises from the same type of transactions; and
- The netting off is agreed by the parties in writing.

(e) Operational risk value

Operational risk value is the value corresponding to the level of loss which may occur due to a technical or system error, human error during the operations, shortage of capital arising from expenses, losses from investment activities, or other objective reasons.

The operational risk value of the Company is calculated at the higher of:

- 25% of the Company's operating expenses for the last 12 months until the reporting date; and
- 20% of its minimum charter capital applicable to operating activities of securities business organisation in compliance with laws.

Operating expenses include all costs incurred during the period after deducting:

- Depreciation and amortisation;
- Additions to/(reversals of) allowance for diminution in the value of short-term financial investments;
- Additions to/(reversals of) allowance for diminution in the value of long-term financial investments; and
- Additions to/(reversals of) allowance for doubtful debts.

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

4. Market risk value

Investment portfolio as of 30 June 2023		Risk coefficient (1)	Risk exposure (VND) (2)	Risk value (VND) (3) = (1) * (2)
I.	Cash and cash equivalents, money market instruments		138,181,620,783	-
1.	Cash	0%	13,960,497,495	-
2.	Cash equivalents	0%	124,221,123,288	-
3.	Valuable papers, transferable money market instruments and certificate of deposits	0%	-	-
II.	Government bonds		-	-
4.	Zero-coupon Government bonds	0%	-	-
5.	Government bonds: Government bonds (including bonds and construction bonds issued previously), Government bonds issued by governments of countries in the OECD or bonds guaranteed by the government or central bank of countries in the OECD, and bonds issued by IBRD, ADB, IADB, AFDB, EIB, EBRD and municipal bonds.	3%	-	-
III.	Credit institution bonds			
6.	Credit institution bonds with remaining terms to maturity of less than 1 year, including convertible bonds	3%	-	-
	Credit institution bonds with remaining terms to maturity of 1 year to less than 3 years, including convertible bonds	8%	-	-
	Credit institution bonds with remaining terms to maturity of 3 years to less than 5 years, including convertible bonds	10%	-	-
	Credit institution bonds with remaining terms to maturity of 5 years or more, including convertible bonds	15%	-	-
IV.	Corporate bonds			
	Listed corporate bonds		72,088,178,083	6,785,533,698
7.	Listed bonds with remaining terms to maturity of less than 1 year, including convertible bonds	8%	21,164,205,480	1,693,136,438
	Listed bonds with remaining terms to maturity of 1 year to less than 3 years, including convertible bonds	10%	50,923,972,603	5,092,397,260
	Listed bonds with remaining terms to maturity of 3 years to less than 5 years, including convertible bonds	15%	-	-

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

Investment portfolio as of 30 June 2023		Risk coefficient (1)	Risk exposure (VND) (2)	Risk value (VND) (3) = (1) * (2)
	Listed bonds with remaining terms to maturity of 5 years or more, including convertible bonds	20%	-	-
	Unlisted corporate bonds		-	-
8.	Unlisted bonds issued by listed companies with remaining term to maturity of less than 1 year, including convertible bonds	15%	-	-
	Unlisted bonds issued by listed companies with remaining terms to maturity of 1 year to less than 3 years, including convertible bonds	20%	-	-
	Unlisted bonds issued by listed companies with remaining terms to maturity of 3 years to less than 5 years, including convertible bonds	25%	-	-
	Unlisted bonds issued by listed companies with remaining terms to maturity of 5 years and above, including convertible bonds	30%	-	-
	Unlisted bonds issued by other companies with remaining term to maturity of less than 1 year, including convertible bonds	25%	-	-
	Unlisted bonds issued by other companies with remaining terms to maturity of 1 year to less than 3 years, including convertible bonds	30%	-	-
	Unlisted bonds issued by other companies with remaining terms to maturity of 3 years to less than 5 years, including convertible bonds	35%	-	-
	Unlisted bonds issued by other companies with remaining terms to maturity of 5 years and above, including convertible bonds	40%	-	-

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

Investment portfolio as of 30 June 2023		Risk coefficient (1)	Risk exposure (VND) (2)	Risk value (VND) (3) = (1) * (2)
V.	Shares		537,571,506,110	53,757,150,611
9.	Ordinary shares and preference shares of companies listed on the Ho Chi Minh City Stock Exchange; open-ended fund certificates	10%	537,571,506,110	53,757,150,611
10.	Ordinary shares and preference shares of companies listed on the Hanoi Stock Exchange	15%	-	-
11.	Ordinary shares and preference shares of unlisted public companies registered for trading on UPCOM	20%	-	-
12.	Ordinary shares and preference shares of public companies which have been registered for depository, but have not been listed or not yet registered for trading; shares of Initial Public Offerings (IPO)	30%	-	-
13.	Shares of other public companies	50%	-	-
VI.	Securities investment fund certificates		-	-
14.	Public funds, including public securities investment companies	10%	-	-
15.	Member funds, securities investment companies	30%	-	-
VII.	Securities restricted for trading		-	-
16.	Shares of unlisted public companies which have been warned due to delaying publishing audited/reviewed financial statement in accordance with regulations	30%	-	-
17.	Listed securities which have been warned	20%	-	-
18.	Listed securities which have been supervised	25%	-	-
19.	Securities temporarily stopped for and restricted from trading	40%	-	-
20.	Delisted or cancelled securities	80%	-	-
VIII.	Other assets		9,703,013,960	7,762,411,168
21.	Shares, bonds issued by non-public interest entities without latest audited financial statement up to reporting date or having adversed, disclaimed or modified audited financial statement	100%	-	-
22.	Shares, contributed capital and other securities	80%	-	-
23.	Other investment securities	80%	9,703,013,960	7,762,411,168

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

Investment portfolio as of 30 June 2023			Risk coefficient	Risk exposure (VND)	Risk value (VND)
			(1)	(2)	(3) = (1) * (2)
IX.	Increase in risks (if any)	Additional level	Risk coefficient	474,160,506,110	12,222,162,285
1.	Unlisted fund certificates DCIP	30%	10%	273,895,216,343	8,216,856,490
2	Unlisted fund certificates DCBF	20%	10%	200,265,289,767	4,005,305,795
TOTAL MARKET RISK (I+II+III+IV+V+VI+VII+VIII+IX)					80,527,257,762

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

5. Settlement risk value

I. Settlement risk before due date as of 30 June 2023								
	Type of transaction	Risk value (VND)						Total risk value (VND)
		(1)	(2)	(3)	(4)	(5)	(6)	
	Settlement risk coefficient	0%	0,8%	3,2%	4,8%	6%	8%	
1.	Term deposits, deposit certificates, unsecured loans and receivables from securities activities and other risk potential items.	-	-	-	3,813,350,225	8,847,361,093	71,545,298	12,732,256,616
2.	Securities lending/Other arrangements with similar nature	-	-	-	-	-	-	-
3.	Securities borrowings/Other arrangements with similar nature	-	-	-	-	-	-	-
4.	Reverse repurchase agreements/Other arrangements with similar nature	-	-	-	-	-	-	-
5.	Repurchase agreements/Other arrangements with similar nature	-	-	-	-	-	-	-
6.	Margin loans (lending to customers to purchase securities)/ Other arrangements with similar nature	-	-	-	-	-	-	-
	Sub-total of settlement risk before due date	-	-	-	3,813,350,225	8,847,361,093	71,545,298	12,732,256,616
II. Overdue settlement risk as of 30 June 2023								
	Overdue status	Risk coefficient (%)		Risk exposure (VND)		Risk value (VND)		
1.	0 - 15 days after the due date for payment/transfer of securities	16%		-		-		
2.	16 - 30 days after the due date for payment/transfer of securities	32%		-		-		
3.	31 - 60 days after the due date for payment/transfer of securities	48%		-		-		
4.	Above 60 days after the due date for payment/transfer of securities	100%		-		-		
	Sub-total of overdue settlement	100%		-		-		



Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

5. Settlement risk value (continued)

III. Settlement risk from advances, contracts, other transactions		Risk Coefficient (%)	Risk exposure (VND)	Risk value (VND)
	Advances accounts for more than 5% of equity with the remaining repayment term less than 90 days	100%	-	-
	Total		-	-
TOTAL SETTLEMENT RISK (I+II+III)				12,732,256,616

- (1) Settlement risk value applicable to the Government, issuing organisations guaranteed by the Government or the Ministry of Finance, the State Bank of Vietnam, Governments and Central banks of OECD countries, People’s Committees of provinces and cities under central authority;
- (2) Settlement risk value applicable to the Stock Exchanges, Vietnam Securities Depository and Clearing Corporation;
- (3) Settlement risk value applicable to credit institutions, financial institutions, and securities trading companies established in the OECD countries;
- (4) Settlement risk value applicable to credit institutions, financial institutions, and securities trading companies established outside the OECD countries;
- (5) Settlement risk value applicable to credit institutions, financial institutions, and securities trading companies established and operating in Vietnam; and
- (6) Settlement risk value applicable to other organisations and individuals.

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

6. Operational risk value

No.	Items	VND
I.	Total operating expenses for 12 months up to 30 June 2023	570,810,439,277
II.	Deductions from total operating expenses	22,522,151,845
1.	Depreciation and amortisation expenses	14,443,459,257
2.	Additions to/(reversals of) allowance for diminution in the value of short-term securities investments	8,078,692,588
3.	Additions to/(reversals of) allowance for diminution in the value of long-term securities investments and other long-term assets	-
4.	Additions to/(reversals of) allowance for doubtful debts	-
III.	Total operating expenses after deductions (III = I – II)	548,288,287,432
IV.	25% of total operating expenses after deductions (IV = 25% III)	137,072,071,858
V.	20% of minimum charter capital for organisation with securities operation (25% of minimum capital for organisations with derivative securities operations)	5,000,000,000
TOTAL OPERATIONAL RISK (=Max {IV, V})		137,072,071,858

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

7. Liquid capital

No.	Items	Liquid capital as of 30 June 2023		
		Liquid capital (VND)	Deductions (VND)	Additions (VND)
A.	Equity			
1.	Share capital, excluding redeemable preference shares (if any)	311,419,430,000		
2.	Capital surplus, excluding redeemable preference shares (if any)	6,963,180,000		
3.	Treasury shares	-		
4.	Reserve to supplement charter capital (if any)	17,754,075,939		
5.	Investment and development fund (if any)	-		
6.	Financial reserve	25,792,349,257		
7.	Other capital reserve	-		
8.	Retained profits	497,678,978,284		
9.	Allowance for diminution in the value of assets	-		
10.	Differences from fixed asset revaluation	-		
11.	Foreign exchange differences	-		
12.	Convertible debts	-		
13.	Deductions from or additions to investment securities (i)		8,078,692,588	51,690,200,594
14.	Other capital (if any)	-		
1A.	Sub-total			903,219,521,486
B.	Current assets			
I.	Cash and cash equivalents			
II.	Short-term investments			
1.	Short-term investments			
	Securities with potential market risk as set out in Clause 2 of Article 9			
	Securities deducted from liquid capital as set out in Clause 5 of Article 6			
2.	Allowance for diminution in the value of short-term investments			

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

No.	Items	Liquid capital as of 30 June 2023		
		Liquid capital (VND)	Deductions (VND)	Additions (VND)
III.	Accounts receivable - short-term, including receivable from entrusting activities			
1.	Accounts receivable from customers			
	Accounts receivable with remaining terms to maturity of 90 days or less			
	Accounts receivable with remaining terms to maturity of more than 90 days		-	
2.	Prepayments to suppliers		1,921,318,384	
3.	Receivables from management activities			
	Receivables from management activities with remaining terms to maturity of 90 days or less			
	Receivables from management activities with remaining terms to maturity of more than 90 days		-	
4.	Short-term intra-company receivables			
	Intra-company receivables with remaining terms to maturity of 90 days or less			
	Intra-company receivables with remaining terms to maturity of more than 90 days		-	
5.	Accounts receivable from securities trading activities			
	Accounts receivable from securities trading activities with remaining terms to maturity of 90 days or less			
	Accounts receivable from securities trading activities with remaining terms to maturity of more than 90 days		-	
6.	Other receivables			
	Other receivables with remaining terms to maturity of 90 days or less			
	Other receivables with remaining terms to maturity of more than 90 days		-	
7.	Allowance for doubtful debts			
IV.	Inventories		-	

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

No.	Items	Liquid capital as of 30 June 2023		
		Liquid capital (VND)	Deductions (VND)	Additions (VND)
V.	Other current assets			
1.	Short-term prepayments		16,965,545,835	
2.	Deductible value added tax			
3.	Taxes and other receivables from the State Treasury			
4.	Other current assets			
4.1.	Advances			
	Advances with remaining terms of 90 days or less			
	Advances with remaining terms of more than 90 days		-	
4.2.	Other current assets		-	
1B.	Sub-total			18,886,864,219
C.	Long-term assets			
I.	Long-term receivables, including receivable from entrusting activities			
1.	Accounts receivable			
	Accounts receivable with remaining terms to maturity of 90 days or less			
	Accounts receivable with remaining terms to maturity of more than 90 days		-	
2.	Allocated capital at dependent units		-	
3.	Intra-company receivables			
	Intra-company receivables with remaining terms to maturity of 90 days or less			
	Intra-company receivables with remaining terms to maturity of more than 90 days		-	
4.	Other receivables			
	Other receivables with remaining terms to maturity of 90 days or less			
	Other receivables with remaining terms to maturity of more than 90 days		10,038,294,752	
5.	Allowance for doubtful debts		-	
II.	Fixed assets		117,048,571,922	
III.	Investment properties		-	

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

No.	Items	Liquid capital as of 30 June 2023		
		Liquid capital (VND)	Deductions (VND)	Additions (VND)
IV.	Long-term investments			
1.	Investments in subsidiaries		-	
2.	Long-term securities investments			
	Securities with potential market risks as set out in Clause 2 of Article 9			
	Securities deducted from liquid capital as set out in Clause 5 of Article 6		-	
3.	Long-term investments in foreign operations		-	
4.	Other long-term investments		-	
5.	Allowance for diminution in the value of long-term investments			
V.	Other long-term assets			
1.	Long-term prepaid expenses		26,623,698,054	
2.	Deferred tax assets		19,655,429,990	
3.	Long-term deposits		-	
	Assets being qualified in the audited financial statements but not yet included in the deductions pursuant to Article 6		-	
4.	Other long-term assets		-	
1C.	Sub-total			173,365,994,718
	LIQUID CAPITAL = 1A-1B-1C			710,966,662,549

Dragon Capital Vietfund Management Joint Stock Company
Notes to the Financial Safety Ratio Report as of 30 June 2023 (continued)

(i) Deductions from and additions to investment securities

	30/6/2023		Differences from revaluation at 30/6/2023	
	Cost VND	Market value VND	Deductions VND	Additions VND
Listed fund certificates	65,537,066,548	63,411,000,000	(2,126,066,548)	-
Unlisted fund certificates	429,000,000,000	474,160,506,110	-	45,160,506,110
Listed bonds	63,053,305,514	69,582,999,998	-	6,529,694,484
Unlisted shares	15,655,640,000	9,703,013,960	(5,952,626,040)	-
	573,246,012,062	616,857,520,068	(8,078,692,588)	51,690,200,594



8. Approval of Financial Safety Ratio Report

The Financial Safety Ratio Report was approved by the Company's Board of Management on 10 August 2023.

Prepared by:

Mr. Nguyen Ngoc Hiep
Chief Accountant

10 August 2023

Reviewed by:

Ms. Vuong Thi Tram Anh
Internal Control

Approved by:



Mr. Beat Schurch
Chief Executive Officer