

PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**



PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

GENERAL INFORMATION OF THE FUND

Fund Management Company	Dragon Capital VietFund Management Joint Stock Company, with the Certificate of eligibility to provide voluntary supplemental pension fund management services No. 01/GCN-QLQHTBSTN issued by the Ministry of Finance on 15 May 2019	
Board of Representatives	Mr. Tran Thanh Tan	Chairman
	Mr. Hoang Kien	Member
	Mr. Mark Andrew Lockwood	Member
	Mrs. Tieu Yen Trinh	Member
	Mr Nguyen Minh Dang Khanh	Member (from 1 October 2023)
	Mr. Vo Tan Hoang Van	Member (to 30 March 2023)
Supervising Bank	Standard Chartered Bank (Vietnam) Limited	
Registered Office	15th Floor, Me Linh Point Tower, No. 02, Ngo Duc Ke Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	
Auditor	PwC (Vietnam) Limited	

PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

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

Management of Dragon Capital VietFund Management Joint Stock Company (“the Fund Management Company”) is responsible for the preparation and presentation of the financial statements which give a true and fair view of the financial position and investment portfolio of Phuc An Voluntary Supplemental Pension Fund (“the Fund”) as at 31 December 2023 and the results of its operations, changes in net asset value, subscriptions and redemptions of fund certificates and cash flows for the year then ended. In preparing these financial statements, management of 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; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Fund will continue in business.

Management of the Fund Management Company is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position and the investment portfolio of the Fund and which enable the financial statements to be prepared which comply with the basis of accounting set out in Note 2, Note 3 and Note 4 to the financial statements. Management of the Fund Management Company is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud or error.

PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND

APPROVAL OF THE FINANCIAL STATEMENTS BY THE BOARD OF REPRESENTATIVES

We hereby approve the accompanying financial statements which give a true and fair view of the financial position and the investment portfolio of the Fund as at 31 December 2023 and of the results of its operations, changes in net asset value, subscriptions and redemptions of fund certificates and cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Accounting System stipulated in Circular 198/2012/TT-BTC issued by the Ministry of Finance on 15 November 2012, Circular 98/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020 and prevailing regulations on preparation and presentation of financial statements applicable to voluntary supplemental pension funds.

On behalf of the Board of Representatives



Tran Thanh Tan
Chairman
Ho Chi Minh City, Vietnam
19 March 2024



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

We have audited the accompanying financial statements of Phuc An Voluntary Supplemental Pension Fund ("the Fund") which were prepared on 31 December 2023 and approved by the Board of Representatives on 19 March 2024. The financial statements comprise the statement of financial position and the statement of investment portfolio as at 31 December 2023, the statement of income, the statement of changes in net asset value, subscriptions and redemptions of fund certificates, and the statement of cash flows for the year then ended and explanatory notes to the financial statements including significant accounting policies, as set out on pages 6 to 37.

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

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

Auditor's Responsibility

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

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

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



Auditor's Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position and the investment portfolio of the Fund as at 31 December 2023, the results of its operations, changes in net asset value, subscriptions and redemptions of fund certificates and cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Accounting System stipulated in Circular 198/2012/TT-BTC issued by the Ministry of Finance on 15 November 2012, Circular 98/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020 and prevailing regulations on the preparation and presentation of financial statements applicable to voluntary supplemental pension funds.

Other Matter

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

For and on behalf of PwC (Vietnam) Limited

CÔNG TY
TNNH
PWC (VIỆT NAM)
QUẬN 1 - TP. HỒ CHÍ MINH
M.S.D.N: 0100157406-C.T.T.N.H.H

Nguyen Hoang Nam
Audit Practising Licence No.
0849-2023-006-1
Authorised signatory

Doan Tran Phuong Thao
Audit Practising Licence No.
4701-2024-006-1

Report reference number: HCM14588
Ho Chi Minh City, 19 March 2024

STATEMENT OF INCOME

Code	Item	Note	For the year ended	For the year ended
			31/12/2023	31/12/2022
			VND	VND
01	I. INVESTMENT AND OPERATING INCOME		2,796,220,756	(784,809,309)
03	1.1. Interest income	5.1	1,366,389,867	1,166,620,322
04	1.2. Realised (loss)/gain from disposal of investments	5.2	(467,615,232)	1,025,776,292
05	1.3. Unrealised gain/(loss) from revaluation of investments	5.3	1,897,446,121	(2,977,205,923)
10	II. INVESTMENT EXPENSES		(40,469,432)	(109,894,819)
11	2.1. Transaction costs from purchases and sales of investments	5.4	(40,469,432)	(436,473)
15	2.2. Other investment expenses	8(a)(i)	-	(109,458,346)
20	III. OPERATING EXPENSES		(637,841,147)	(607,212,296)
20.1	3.1. Fund management fee	8(a)(i)	(257,401,659)	(200,413,678)
20.2	3.2. Custodian fee	5.5	(7,804,043)	(429,405)
20.5	3.3. Transfer agency fee		(198,000,000)	(198,000,000)
20.8	3.4. Audit fee		(94,890,000)	(89,615,972)
20.10	3.5. Other operating expenses	5.6	(79,745,445)	(118,753,241)
23	IV. PROFIT/(LOSS) FROM INVESTMENT ACTIVITIES		2,117,910,177	(1,501,916,424)

The notes on pages 14 to 37 are an integral part of these financial statements.

STATEMENT OF INCOME
(continued)

Code	Item	Note	For the year ended	For the year ended
			31/12/2023	31/12/2022
			VND	VND
24	V. NET OTHER INCOME		-	-
30	VI. PROFIT/(LOSS) BEFORE TAX		2,117,910,177	(1,501,916,424)
31	6.1. Realised profit	6.9	220,464,056	1,475,289,499
32	6.2. Unrealised profit/(loss)	6.9	1,897,446,121	(2,977,205,923)
40	VII. INCOME TAX		-	-
41	VIII. PROFIT/(LOSS) AFTER TAX		2,117,910,177	(1,501,916,424)



Dragon Capital Fund Management
Joint Stock Company
Beat Schurch
Chief Executive Officer
19 March 2024

Dragon Capital VietFund Management
Joint Stock Company
Nguyen Kieu Truc Ly
Fund Accountant
19 March 2024

Dragon Capital Fund Management
Joint Stock Company
Ninh Thi Tue Minh
Fund Accounting Manager
19 March 2024

The notes on pages 14 to 37 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

Code	Item	Note	As at	
			31/12/2023 VND	31/12/2022 VND
100	I. ASSETS			
110	1. Cash at bank and cash equivalents	6.1	2,345,130,412	1,575,943,280
	In which:			
111	1.1. Cash at bank for Fund's operations		2,345,130,412	950,943,280
112	1.2. Term deposits with maturity not exceeding three (3) months		-	625,000,000
120	2. Net investments		34,055,748,367	25,728,035,075
121	2.1. Investments	6.2	34,055,748,367	25,728,035,075
130	3. Receivables		850,258,743	658,478,631
133	3.2. Interest receivables		850,258,743	658,478,631
136	3.2.2 Interest receivables not yet due	6.3	850,258,743	658,478,631
100	TOTAL ASSETS		37,251,137,522	27,962,456,986
300	II. LIABILITIES			
312	1. Payables for securities purchased but not yet settled	6.4	1,175,790,000	-
313	2. Payables to distributors and Fund Management Company		-	1,287,609
316	5. Accrued expenses	6.5	112,195,545	109,104,464
317	6. Subscription payables to fund participants	6.6	90,000,000	95,000,000
318	7. Redemption payables to fund participants	6.6	38,398,459	-
319	8. Fees payable to fund service providers	6.7	42,395,534	61,240,117
320	9. Other payables		591,250	-
300	TOTAL LIABILITIES		1,459,370,788	266,632,190

The notes on pages 14 to 37 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
(continued)

Code	Item	Note	As at	
			31/12/2023 VND	31/12/2022 VND
400	III. NET ASSET VALUE DISTRIBUTABLE TO FUND PARTICIPANTS	6.8	35,791,766,734	27,695,824,796
411	1. Share capital		32,510,349,600	26,886,540,900
412	1.1. Issued capital	6.8	43,777,346,700	36,227,060,600
413	1.2. Redeemed capital	6.8	(11,266,997,100)	(9,340,519,700)
414	2. Share premium		153,064,633	(201,158,428)
420	3. Undistributed profits	6.9	3,128,352,501	1,010,442,324
430	IV. NET ASSET VALUE PER FUND CERTIFICATE		11,009.34	10,300.99
440	V. DISTRIBUTED EARNINGS TO FUND PARTICIPANTS		-	-
	VI. OFF STATEMENT OF FINANCIAL POSITION ITEM			
004	4. Number of outstanding fund certificates		3,251,034.96	2,688,654.09



Dragon Capital Fund Management
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Beat Schurch
Chief Executive Officer
19 March 2024

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Nguyen Kieu Truc Ly
Fund Accountant
19 March 2024

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Joint Stock Company
Ninh Thi Tue Minh
Fund Accounting Manager
19 March 2024

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

No.	Item	For the year ended 31/12/2023	For the year ended 31/12/2022
		VND	VND
I	Net asset value (“NAV”) at the beginning of year	27,695,824,796	30,695,967,179
II	Changes in NAV for the year	2,117,910,177	(1,501,916,424)
	<i>In which:</i>		
II.1	Changes in NAV due to market fluctuation and the Fund’s operations	2,117,910,177	(1,501,916,424)
III	Changes in NAV due to subscriptions and redemptions of fund certificates	5,978,031,761	(1,498,225,959)
	<i>In which:</i>		
III.1	Receipts from subscriptions	8,049,195,713	6,933,328,000
III.2	Payments for redemptions	(2,071,163,952)	(8,431,553,959)
IV	NAV at end of year	35,791,766,734	27,695,824,796



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19 March 2024

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19 March 2024

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19 March 2024

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STATEMENT OF INVESTMENT PORTFOLIO AS AT 31 DECEMBER 2023

No.	Item	Quantity	Market value/ Revalued amount as at 31/12/2023 VND	Total value VND	Percentage of total assets %
I	Unlisted fund certificates			4,839,090,083	12.99%
	DCBF	190,844.00	25,356.26	4,839,090,083	12.99%
II	Listed fund certificates			11,013,500,000	29.56%
1	FUEDCMID	480,000.00	10,900.00	5,232,000,000	14.05%
2	FUESSVFL	250,000.00	18,450.00	4,612,500,000	12.38%
3	FUESSV50	70,000.00	16,700.00	1,169,000,000	3.13%
III	Government bonds			18,203,158,284	48.87%
1	TD1424092	103,000	102,991.00	10,608,073,000	28.48%
2	TD1429094	34,500	133,926.00	4,620,447,000	12.40%
3	TD1929176	16,200	113,125.82	1,832,638,284	4.92%
4	TD1929179	10,000	114,200.00	1,142,000,000	3.07%
IV	Other assets			850,258,743	2.28%
1	Net interest receivables			850,258,743	2.28%
V	Cash			2,345,130,412	6.30%
1	Cash at bank			2,345,130,412	6.30%
VI	Total value of portfolio			37,251,137,522	100.00%



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19 March 2024

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19 March 2024

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STATEMENT OF CASH FLOWS
 (Indirect method)

Code	Item	Note	For the year ended	For the year ended
			31/12/2023	31/12/2022
			VND	VND
	I. Cash flows from investing activities			
01	1. Profit/(loss) before income tax		2,117,910,177	(1,501,916,424)
02	2. Adjustments for:		(1,894,355,040)	2,977,205,923
03	Unrealised (gain)/ loss from revaluation of investments	5.3	(1,897,446,121)	2,977,205,923
04	Accrued expenses		3,091,081	-
05	3. Profit from investing activities before changes in working capital		223,555,137	1,475,289,499
20	(Increase)/decrease in investments		(6,430,267,171)	1,340,565,925
7	Increase in interest receivables		(191,780,112)	(17,896,439)
10	Increase in payables for securities purchased		1,175,790,000	-
11	Decrease in subscription and redemption fees payable to fund certificate distributors		(1,287,609)	(276,085)
14	(Decrease)/ increase in subscription payable to fund participants		(5,000,000)	24,000,000
15	Increase in redemptions payable to participants		38,398,459	-
16	Increase in other payables		591,250	7,968,847
17	(Decrease)/increase in fees payable to fund service providers		(18,844,583)	23,872,305
19	Net cash (outflow for)/inflow from investing activities		(5,208,844,629)	2,853,524,052
	II. Cash flows from financing activities			
31	1. Receipts from subscriptions	6.8	8,049,195,713	6,933,328,000
32	2. Payments for redemptions	6.8	(2,071,163,952)	(8,431,553,959)
30	Net cash inflow from/(outflow for) financing activities		5,978,031,761	(1,498,225,959)
40	III. Net increase in cash and cash equivalents in the year		769,187,132	1,355,298,093

The notes on pages 14 to 37 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS (continued)
(Indirect method)

Code	Item	Note	For the year	For the year
			ended	ended
			31/12/2023	31/12/2022
			VND	VND
50	IV. Cash and cash equivalents at beginning of year		1,575,943,280	220,645,187
52	Cash at bank and cash equivalents for the Fund's operations		1,575,943,280	151,645,187
53	Cash at bank for subscriptions and redemptions		-	69,000,000
55	V. Cash and cash equivalents at end of year	6.1	2,345,130,412	1,575,943,280
57	Cash at bank and cash equivalents for the Fund's operations		2,255,130,412	1,575,943,280
58	Cash at bank for subscriptions and redemptions		90,000,000	-
60	VI. Changes in cash and cash equivalents in the year		769,187,132	1,355,298,093



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Joint Stock Company
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Chief Executive Officer
19 March 2024

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19 March 2024

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Joint Stock Company
Ninh Thi Tue Minh
Fund Accounting Manager
19 March 2024

The notes on pages 14 to 37 are an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****1 GENERAL INFORMATION OF PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND****1.1 General information**

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

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

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

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

1.2 General information of the Fund’s operations***Size of the Fund***

The Fund’s capital is based on the actual contribution of the fund participants presented in Note 6.8.

Investment objective and investment restrictions

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

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

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

The Fund’s target asset allocation comprises:

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

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

Frequency of net asset value determination

The Fund’s net asset value is determined according to the frequency of subscriptions and redemptions of fund certificates and on the first day of the following month (of the month-end valuation period).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****1 GENERAL INFORMATION OF PHUC AN VOLUNTARY SUPPLEMENTAL PENSION FUND
(continued)****1.2 General information of the Fund's operations (continued)*****Method to determine net asset value***

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

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

Frequency of subscriptions and redemptions of fund certificates

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

Distribution of earnings

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

2 FISCAL YEAR AND ACCOUNTING CURRENCY**2.1 Fiscal year**

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 FISCAL YEAR AND ACCOUNTING CURRENCY (continued)****2.2 Accounting currency**

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

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

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

3 ACCOUNTING STANDARDS AND REPORTING FRAMEWORK APPLIED**3.1 Basis of preparation of financial statements**

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

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

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

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

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

3.2 Registered accounting documentation system

The registered accounting documentation system is the general journal system.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****4 SIGNIFICANT ACCOUNTING POLICIES****4.1 Cash and cash equivalents**

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

4.2 Investments***Classification***

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

Recognition/de-recognition

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

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

Initial recognition

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

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

Subsequent measurement***(a) Bonds listed on stock exchanges***

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

In either case below:

- (i) These bonds are not traded on stock exchanges for more than 15 days prior to the valuation date; or
- (ii) There are unusual significant fluctuations in the traded prices of these bonds, as specified in the Fund's Valuation Handbook.

Bonds in case (i) and (ii) are revalued according to the approach mentioned in the Valuation Handbook approved by the Board of Representatives.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****4 SIGNIFICANT ACCOUNTING POLICIES (continued)****4.2 Investments (continued)*****Subsequent measurement (continued)****(b) Listed public fund certificates*

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

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

- The net asset value of such fund certificate as published on the website of fund management company; or on the Exchange; or on SSC website as detailed in the Valuation Handbook;
- Purchase price (cost price);
- The price determined based on the valuation techniques approved by the Board of Representatives.

(c) Unlisted public fund certificates

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

(d) Term deposits

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

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

Gains or losses from revaluation of investments

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

4.3 Receivables

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

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

4.4 Payables

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****4 SIGNIFICANT ACCOUNTING POLICIES (continued)****4.5 Taxation**

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

Tax obligation of fund participants

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

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

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

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

The tax laws and their application in Vietnam are subject to interpretation and change over time as well as from one tax office to another. The final tax position may be subject to review and investigation by a number of authorities, who are enabled by law to impose several fines, penalties and interest charges. The Fund Management Company adequately provided for tax liabilities based on its interpretation of tax legislation including corporate income tax. However, the relevant authorities may have different interpretations and the effects could be significant.

4.6 Provisions

Provisions are recognised when:

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

Provision is not recognised for future operating losses.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****4 SIGNIFICANT ACCOUNTING POLICIES (continued)****4.7 Share capital**

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

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

Issued capital

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

Redeemed capital

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

Share premium

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

Undistributed profits/(losses)

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

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

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

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

Profits/assets distributed to fund participants

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****4 SIGNIFICANT ACCOUNTING POLICIES (continued)****4.8 Revenue and income**

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

Interest income

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

Income from securities trading

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

4.9 Expenses

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

4.10 Related parties

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.11 Segment reporting

A segment is a component which can be separated by the Fund engaged in investment activities ("business segment") or investing within a particular economic environment ("geographical segment"). Each segment is subject to risks and returns that are different from those of other segments. Segment information is prepared and presented in accordance with the accounting policies applied to the preparation and presentation of the Fund's financial statements with the purpose of helping users of financial statements clearly understand and evaluate the Fund's performance comprehensively.

(a) Business segment

The Fund's operation comprises only one business segment which is securities investment pursuant to investment objectives and strategy specified in the Fund Charter.

(b) Geographical segment

The Fund's activities are carried out within the territory of Vietnam. Companies invested in the Fund's portfolio are also established and operating within the territory of Vietnam. Therefore, the Fund's risk and return rate are not materially affected by differences in markets or geographical areas. Accordingly, the Management of the Fund Management Company views that the Fund has only one division divided by geographical area.

4.12 Nil items

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

5 ADDITIONAL INFORMATION TO THE STATEMENT OF INCOME

5.1 Interest income

	For the year ended 31/12/2023 VND	For the year ended 31/12/2022 VND
Interest income on bonds	1,138,642,474	1,092,748,767
Interest income on bank deposits	227,747,393	73,871,555
	<u>1,366,389,867</u>	<u>1,166,620,322</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5 ADDITIONAL INFORMATION TO THE STATEMENT OF INCOME (continued)

5.2 Realised (loss)/gain from disposal of investments

	Total proceeds of disposals VND	Weighted average cost of investments up to the latest trading date VND	Realised gain/(loss) for the year ended 31/12/2023 VND	Cumulative realised gain/(loss) as at 31/12/2023 VND	Realised gain for the year ended 31/12/2023 VND	Cumulative realised gain as at 31/12/2023 VND
Securities						
Listed fund certificates	16,501,590,000	15,300,874,405	1,200,715,595	1,200,715,595	-	-
Unlisted fund certificates	3,435,035,445	3,396,650,727	38,384,718	1,600,684,940	1,025,776,292	1,562,300,222
Government bonds	14,596,430,866	16,303,146,411	(1,706,715,545)	(1,706,715,545)	-	-
	34,533,056,311	35,000,671,543	(467,615,232)	1,094,684,990	1,025,776,292	1,562,300,222

5.3 Unrealised gain/(loss) from revaluation of investments

	Carrying value VND	Revalued amount as at 31/12/2023 VND	Unrealised gain/(loss) from revaluation of investments as at 31/12/2023 VND	Unrealised gain/(loss) from revaluation of investments as at 31/12/2023 VND	Unrealised loss from revaluation of investment for the year ended 31/12/2023 VND
Listed fund certificates	10,262,373,595	11,013,500,000	751,126,405	(54,000,000)	805,126,405
Unlisted fund certificates	4,058,434,202	4,839,090,083	780,655,881	338,968,146	441,687,735
Government bonds	18,574,457,905	18,203,158,284	(371,299,621)	(1,021,931,602)	650,631,981
	32,895,265,702	34,055,748,367	1,160,482,665	(736,963,456)	1,897,446,121

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5 ADDITIONAL INFORMATION TO THE STATEMENT OF INCOME (continued)

5.4 Transaction costs from purchases and sales of investments

	For the year ended 31/12/2023	For the year ended 31/12/2022
	VND	VND
Brokerage fees from purchases	24,943,408	436,473
Brokerage fees from disposals	15,307,324	-
Depository transaction charge	218,700	-
	<u>40,469,432</u>	<u>436,473</u>

5.5 Custodian fees

	For the year ended 31/12/2023	For the year ended 31/12/2022
	VND	VND
Custodian service - VSDC fee	1,134,043	199,405
Transaction fee (Note 8(a)(ii))	6,670,000	230,000
	<u>7,804,043</u>	<u>429,405</u>

5.6 Other operating expenses

	For the year ended 31/12/2023	For the year ended 31/12/2022
	VND	VND
Remunerations to the Board of Representatives (Note 8(a)(iii))	67,829,695	108,408,841
Bank charges	11,915,750	10,344,400
	<u>79,745,445</u>	<u>118,753,241</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6 ADDITIONAL INFORMATION TO THE STATEMENT OF FINANCIAL POSITION

6.1 Cash at bank and cash equivalents

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

	As at	
	31/12/2023 VND	31/12/2022 VND
1. Cash at bank for the Fund's operations	2,345,130,412	950,943,280
Cash at bank for the Fund's operations at SCBVN (Note 8(b))	2,255,130,412	950,943,280
Cash at bank for subscriptions and redemptions at SCBVN (Note 8(b))	90,000,000	-
2. Term deposits with maturity not exceeding three (3) months	-	625,000,000
Bank for Investment and Development of Vietnam (BIDV)	-	625,000,000
	<u>2,345,130,412</u>	<u>1,575,943,280</u>

6.2 Investments

The details of the Fund's investments as at 31 December 2023 are as follows:

	Carrying value VND	Gain/(loss) from revaluation of investments		Revalued amount VND
		Gain VND	Loss VND	
Listed fund certificates	10,262,373,595	757,916,405	(6,790,000)	11,013,500,000
Unlisted fund certificates	4,058,434,202	780,655,881	-	4,839,090,083
Government bonds (*)	18,574,457,905	-	(371,299,621)	18,203,158,284
	<u>32,895,265,702</u>	<u>1,538,572,286</u>	<u>(378,089,621)</u>	<u>34,055,748,367</u>

(*) Details of Government bonds as at 31 December 2023 are as follows:

Bond	Start date	Maturity date	Interest per annum (**)	Principal amount VND
TD1424092	31/05/2014	31/05/2024	8.7%	10,300,000,000
TD1429094	15/03/2014	15/03/2029	8.8%	3,450,000,000
TD1929176	07/03/2019	07/03/2029	4.7%	1,620,000,000
TD1929179	25/07/2019	25/07/2029	4.4%	1,000,000,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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

6.2 Investments (continued)

(**) Interest rate is fixed throughout the tenure of the bonds.

The details of the Fund's investments as at 31 December 2022 are as follows:

	Carrying value VND	Gain/(loss) from revaluation of investments		Revalued amount VND
		Gain VND	Loss VND	
Listed fund certificates	255,600,000	-	(54,000,000)	201,600,000
Unlisted fund certificates	7,455,084,929	380,001,805	(41,033,659)	7,794,053,075
Term deposits with maturity exceeding three (3) months (***)	3,500,000,000	-	-	3,500,000,000
Government bonds (****)	15,254,313,602	-	(1,021,931,602)	14,232,382,000
	26,464,998,531	380,001,805	(1,116,965,261)	25,728,035,075

(***) Details of Term deposits with maturity exceeding three (3) months are as follows:

Bank	Start date	Maturity date	Interest per annum	Balance VND
Vietnam Prosperity Joint Stock Commercial Bank (VPBank)	20/12/2022	20/06/2023	10.8%	3,500,000,000

(****) Details of Government bonds as at 31 December 2022 are as follows:

Bond	Start date	Maturity date	Interest per annum	Principal amount VND
TD1424092	31/05/2014	31/05/2024	8.7%	12,500,000,000
TD1626457	06/10/2016	06/10/2026	6.2%	300,000,000

6.3 Interest receivables not yet due

	As at	
	31/12/2023 VND	31/12/2022 VND
Interest receivables from Government bonds	850,258,743	645,015,617
Interest receivables from term deposits	-	13,463,014
	850,258,743	658,478,631

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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

6.4 Payables for securities purchased but not yet settled

Payables from purchases of listed fund certificates were settled in two (2) working days after the trade date (T+2) in accordance with Vietnamese securities settlement practice.

6.5 Accrued expenses

	As at	
	31/12/2023 VND	31/12/2022 VND
Audit fee	93,500,000	89,100,000
Board of Representatives' remunerations (Note 8(b))	18,378,082	20,004,464
Brokage fee	317,463	-
	<u>112,195,545</u>	<u>109,104,464</u>

6.6 Subscription and redemption payables to fund participants

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

Redemption payables to fund participants represent amount payable to fund participants for valid redemption and in progress for settlement.

6.7 Fees payable to fund service providers

	As at	
	31/12/2023 VND	31/12/2022 VND
Fund management fee (Note 8(b))	24,515,534	44,740,117
Transfer agent fee	16,500,000	16,500,000
Transaction fee (Note 8(b))	1,380,000	-
	<u>42,395,534</u>	<u>61,240,117</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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

6.8 Movements in participants' equity

	Unit	As at 31/12/2022	Incurred for the year	As at 31/12/2023
Issued capital				
Number of fund certificates	Unit	3,622,706.06	755,028.61	4,377,734.67
Issued capital at par value	VND	36,227,060,600	7,550,286,100	43,777,346,700
Share premium of issued capital	VND	476,867,790	498,909,613	975,777,403
Total issued capital	VND	36,703,928,390	8,049,195,713	44,753,124,103
Redeemed capital				
Number of fund certificates	Unit	(934,051.97)	(192,647.74)	(1,126,699.71)
Redeemed capital at par value	VND	(9,340,519,700)	(1,926,477,400)	(11,266,997,100)
Share premium of redeemed capital	VND	(678,026,218)	(144,686,552)	(822,712,770)
Total redeemed capital	VND	(10,018,545,918)	(2,071,163,952)	(12,089,709,870)
Total contribution capital	VND	26,685,382,472	5,978,031,761	32,663,414,233
Undistributed profits	VND	1,010,442,324	2,117,910,177	3,128,352,501
Net asset value	VND	27,695,824,796		35,791,766,734
Number of outstanding fund certificates	Unit	2,688,654.09		3,251,034.96
Net asset value per fund certificate	VND/Unit	10,300.99		11,009.34

6.9 Accumulated profits

	As at 31/12/2022 VND	Incurred for the year VND	As at 31/12/2023 VND
Realised gains	1,747,405,780	220,464,056	1,967,869,836
Unrealised gains/(losses)	(736,963,456)	1,897,446,121	1,160,482,665
Undistributed profits	1,010,442,324	2,117,910,177	3,128,352,501

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

7 NET ASSET VALUE (“NAV”)

For the year ended 31 December 2023

No.	NAV calculation date	NAV VND	Quantity of fund certificates	NAV per fund certificate at calculation date VND	Increase/ (decrease) of NAV per fund certificate VND
1	31/12/2022	27,695,824,796	2,688,654.09	10,300.99	
2	10/01/2023	27,716,896,401	2,688,654.09	10,308.83	7.84
3	26/01/2023	27,886,941,699	2,705,726.53	10,306.63	(2.20)
4	07/02/2023	28,136,723,420	2,729,322.34	10,309.05	2.42
5	21/02/2023	28,337,835,134	2,746,588.48	10,317.46	8.41
6	07/03/2023	28,584,876,697	2,770,159.82	10,318.85	1.39
7	21/03/2023	28,709,231,440	2,779,560.09	10,328.69	9.84
8	31/03/2023	28,979,467,580	2,803,105.58	10,338.34	9.65
9	11/04/2023	28,999,371,579	2,803,105.58	10,345.44	7.10
10	25/04/2023	29,273,997,430	2,828,237.18	10,350.61	5.17
11	30/04/2023	28,916,080,446	2,792,158.13	10,356.17	5.56
12	09/05/2023	28,927,197,260	2,792,158.13	10,360.15	3.98
13	23/05/2023	29,135,374,359	2,809,435.65	10,370.54	10.39
14	31/05/2023	29,397,073,044	2,832,896.05	10,377.03	6.49
15	13/06/2023	29,531,504,136	2,832,896.05	10,424.49	47.46
16	27/06/2023	29,882,231,831	2,845,257.20	10,502.47	77.98
17	30/06/2023	29,823,783,274	2,852,958.41	10,453.63	(48.84)
18	11/07/2023	29,912,937,887	2,852,958.41	10,484.88	31.25
19	25/07/2023	30,891,634,063	2,911,793.68	10,609.14	124.26
20	31/07/2023	31,483,161,641	2,935,480.88	10,725.04	115.90
21	08/08/2023	31,468,386,958	2,935,480.88	10,720.01	(5.03)
22	22/08/2023	31,573,980,167	2,958,145.14	10,673.57	(46.44)
23	31/08/2023	32,864,776,337	2,984,527.73	11,011.71	338.14
24	12/09/2023	33,479,966,836	2,984,527.73	11,217.84	206.13
25	26/09/2023	32,305,248,850	2,963,424.89	10,901.32	(316.52)
26	30/09/2023	32,773,848,737	2,989,256.14	10,963.88	62.56
27	10/10/2023	32,790,111,098	2,989,256.14	10,969.32	5.44
28	24/10/2023	32,497,425,986	3,003,895.79	10,818.42	(150.90)
29	31/10/2023	33,032,733,842	3,088,955.74	10,693.81	(124.61)
30	07/11/2023	33,217,039,311	3,088,955.74	10,753.48	59.67
31	21/11/2023	34,662,213,430	3,169,517.97	10,936.11	182.63
32	30/11/2023	34,034,787,556	3,133,449.81	10,861.76	(74.35)
33	12/12/2023	34,368,938,696	3,133,449.81	10,968.40	106.64
34	26/12/2023	35,132,190,332	3,212,792.82	10,935.09	(33.31)
35	31/12/2023	35,791,766,734	3,251,034.96	11,009.34	74.25
Average NAV of the year			30,862,338,554		
Changes in NAV per fund certificate during the year - highest level					338.14
Changes in NAV per fund certificate during the year - lowest level					1.39

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

7 NET ASSET VALUE (“NAV”) (continued)

For the year ended 31 December 2022					
No.	NAV calculation date	NAV VND	Quantity of fund certificates	NAV per fund certificate at calculation date VND	Increase/ (decrease) of NAV per fund certificate VND
1	31/12/2021	30,695,967,179	2,819,158.46	10,888.34	
2	11/01/2022	30,555,374,584	2,819,158.46	10,838.47	(49.87)
3	25/01/2022	30,061,091,531	2,825,709.14	10,638.42	(200.05)
4	08/02/2022	30,414,523,969	2,825,897.13	10,762.78	124.36
5	22/02/2022	30,868,647,906	2,837,696.95	10,878.06	115.28
6	08/03/2022	30,839,287,657	2,832,967.50	10,885.86	7.80
7	22/03/2022	30,939,558,082	2,840,408.28	10,892.64	6.78
8	31/03/2022	31,021,957,813	2,840,591.89	10,920.94	28.30
9	12/04/2022	30,884,507,046	2,840,591.89	10,872.56	(48.38)
10	26/04/2022	24,611,161,150	2,306,381.47	10,670.89	(201.67)
11	10/05/2022	24,343,485,637	2,300,939.88	10,579.80	(91.09)
12	24/05/2022	23,767,350,118	2,257,949.45	10,526.07	(53.73)
13	07/06/2022	23,829,685,666	2,258,139.45	10,552.79	26.72
14	21/06/2022	22,886,486,200	2,165,909.89	10,566.68	13.89
15	30/06/2022	23,153,195,897	2,188,291.27	10,580.49	13.81
16	12/07/2022	23,166,930,177	2,188,291.27	10,586.76	6.27
17	26/07/2022	23,290,487,685	2,196,225.61	10,604.77	18.01
18	09/08/2022	23,576,922,379	2,219,158.40	10,624.26	19.49
19	23/08/2022	23,702,919,968	2,227,347.10	10,641.77	17.51
20	13/09/2022	24,006,481,016	2,250,199.96	10,668.59	26.82
21	27/09/2022	23,800,870,046	2,228,782.03	10,678.86	10.27
22	30/09/2022	24,055,841,277	2,251,555.48	10,684.09	5.23
23	11/10/2022	24,049,453,147	2,251,555.48	10,681.26	(2.83)
24	25/10/2022	24,164,150,909	2,259,022.34	10,696.72	15.46
25	08/11/2022	24,434,748,554	2,281,570.85	10,709.61	12.89
26	22/11/2022	28,130,144,952	2,624,035.53	10,720.18	10.57
27	13/12/2022	27,012,419,886	2,624,222.09	10,293.49	(426.69)
28	27/12/2022	27,200,246,335	2,641,611.48	10,296.83	3.34
29	31/12/2022	27,695,824,796	2,688,654.09	10,300.99	4.16
Average NAV of the period			26,255,504,766		
Changes in NAV per fund certificate during the year - highest level					(426.69)
Changes in NAV per fund certificate during the year - lowest level					(2.83)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8 RELATED PARTY DISCLOSURES

(a) Transactions with related parties

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

(i) The Fund Management Company

	For the year ended 31/12/2023	For the year ended 31/12/2022
	VND	VND
Fund management fee	257,401,659	200,413,678
Transaction fee	-	109,458,346
	<u> </u>	<u> </u>

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

(ii) The Supervising and Custodian Bank

	For the year ended 31/12/2023	For the year ended 31/12/2022
	VND	VND
Custodian fee (*)	-	-
Supervising fee (*)	-	-
Fund administration fee (*)	-	-
Transaction fee (Note 5.5)	6,670,000	230,000
Bank charges	11,915,750	10,344,400
Interest income	2,015,175	162,789
	<u> </u>	<u> </u>

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

(iii) Board of Representatives

	For the year ended 31/12/2023	For the year ended 31/12/2022
	VND	VND
Board of Representatives' remunerations (Note 5.6)	67,829,695	108,408,841
	<u> </u>	<u> </u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8 RELATED PARTY TRANSACTIONS (continued)

(b) Balances with related parties

As at 31 December 2023, the Fund had the following balances with related parties:

	As at	
	31/12/2023	31/12/2022
	VND	VND
Dragon Capital VietFund Management Joint Stock Company		
Fund management fee payable (Note 6.7)	24,515,534	44,740,117
Redemption fee payable	-	1,287,609
Percentage of fund certificate holdings of the Fund Management Company and related persons at the end of the year	0.54%	0.04%
Standard Chartered Bank (Vietnam) Limited		
Cash at bank for the Fund's operations (Note 6.1)	2,255,130,412	950,943,280
Cash at bank for the Fund's subscription and redemption (Note 6.1)	90,000,000	-
Transaction fee payable (Note 6.7)	1,380,000	-
Bank charge	591,250	-
Board of Representatives		
Accrued Board of Representatives' remunerations (Note 6.5)	18,378,082	20,004,464

9 THE FUND'S PERFORMANCE INDICATORS

	For the year ended 31/12/2023	For the year ended 31/12/2022
1 Operation expenses/Average net asset value during the year (*)	2.07%	2.73%
2 Turnover of investment portfolio during the period = (Total value of purchase transactions + total value of sales transactions)/2/Average net asset value during the year (**)	128.74%	28.28%

(*) This ratio is calculated by dividing the total operating expenses of the reporting period by the average NAV for the period and annualised (by multiplying 365, then dividing by the number of actual days during year). The corresponding figure of the previous years have been re-calculated for comparability.

(**) The contract value of index futures was not included in calculation of this ratio.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE**

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

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

Credit risk
Liquidity risk
Market risk

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

(a) Credit risk

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

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

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

Receivables include interest and coupon receivables. Credit risk relating to such receivables is considered minimal due to the good creditworthiness of the counterparties and short settlement period.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (continued)****(b) Liquidity risk**

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

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

As at 31 December 2023, all of the Fund's liabilities were due within 1 year.

As at 31 December 2023, there was no obligation relating to derivative financial instruments.

(c) Market risk

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

Interest rate risk

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

Details of interest rates and maturity of Government bonds and term deposits are presented in Note 6.2.

Currency risk

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

Market price risk

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

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

As at 31 December 2023, if market price of public fund certificates had increased/decreased by 10% with all other variables (including tax rate) being held constant, the net asset value of the Fund would have been higher/lower by VND1,585,259,008 (as at 31 December 2022: VND799,565,308).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (continued)****(d) Fair value of financial assets and liabilities**

Financial assets of the Fund comprise:

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

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

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

Fair value measurement approach has not been stipulated in Circular 210/2009/TT-BTC and Vietnamese Accounting Standards, Circular 198/2012/TT-BTC issued by the Ministry of Finance on 15 November 2012, Circular 98/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020 and prevailing regulations on the preparation and presentation of financial statements applicable to voluntary supplemental pension funds.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (continued)

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

Fair values of the Fund's financial assets and financial liabilities as at 31 December 2023 and as at 31 December 2022 are as follows:

	Revalued amount		Fair value	
	31/12/2023 VND	31/12/2022 VND	31/12/2023 VND	31/12/2022 VND
Financial assets				
Cash at bank and cash equivalents	2,345,130,412	1,575,943,280	2,345,130,412	1,575,943,280
Investments	34,055,748,367	25,728,035,075	34,055,748,367	25,728,035,075
- <i>Fund certificates</i>	15,852,590,083	7,995,653,075	15,852,590,083	7,995,653,075
- <i>Government bonds</i>	18,203,158,284	14,232,382,000	18,203,158,284	14,232,382,000
- <i>Term deposits with maturity exceeding three (3) months</i>	-	3,500,000,000	-	3,500,000,000
Net interest receivables	850,258,743	658,478,631	850,258,743	658,478,631
- <i>Coupon receivables from Government bonds</i>	850,258,743	645,015,617	850,258,743	645,015,617
- <i>Interest receivables from term deposits</i>	-	13,463,014	-	13,463,014
Total	37,251,137,522	27,962,456,986	37,251,137,522	27,962,456,986
Financial liabilities				
Payables for securities purchased	1,175,790,000	-	1,175,790,000	-
Subscription and redemption fee payable to fund certificate distributors	-	1,287,609	-	1,287,609
Accrued expenses	112,195,545	109,104,464	112,195,545	109,104,464
Subscription payable to fund participants	90,000,000	95,000,000	90,000,000	95,000,000
Redemption payables to participants	38,398,459	-	38,398,459	-
Fees payable to fund service providers	42,395,534	61,240,117	42,395,534	61,240,117
Other payables	591,250	-	591,250	-
Total	1,459,370,788	266,632,190	1,459,370,788	266,632,190

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11 SUBSEQUENT EVENTS

There have been no significant subsequent events occurring after the reporting date which would require adjustments or disclosures to be made in the financial statements.

12 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements for the year ended 31 December 2023 were approved by the Board of Representatives for issuance on 19 March 2024.



Dragon Capital VietFund Management
Joint Stock Company
Beat Schurch
Chief Executive Officer
19 March 2024

Dragon Capital VietFund Management
Joint Stock Company
Nguyen Kieu Truc Ly
Fund Accountant
19 March 2024

Dragon Capital VietFund Management
Joint Stock Company
Ninh Thi Tue Minh
Fund Accounting Manager
19 March 2024

