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**VIETNAM SECURITIES INVESTMENT FUND
(VFMVF1)**

**SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness**

No.: Số: 02.20/NQĐH-VF1-2020

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Ho Chi Minh City, 03 April 2020

RESOLUTION VOTING ISSUES OF THE ANNUAL MEETING OF FINANCIAL YEAR 2019 VIETNAM SECURITIES INVESTMENT FUND (VFMVF1)

- Pursuant to Law on Securities dated 29 July 2006 by the National Assembly and Law No. 62/2010/QH12 dated 24 November 2010 by the National Assembly amending, supplementing a number of articles of Law on securities;
- Pursuant to Circular 212/2012/TT-BTC dated 05 December 2012 by the Ministry of Finance guiding the establishment, organization and operation of the fund management company;
- Pursuant to Circular 183/2011/TT-BTC dated 16 December 2011 by the Ministry of Finance guiding the establishment and management of the open-ended Fund;
- Pursuant to Circular 15/2016/TT-BTC dated 20 January 2016 by the Ministry of Finance Amending and Supplement a number of Circular 183/2011/TT-BTC dated 16 December 2011 by the Ministry of Finance guiding the establishment and management of the open-ended Fund;
- Pursuant to Charter of Vietnam Securities Investment Fund.;
- Pursuant to the result of Voting Issues Of The Annual Meeting Of Financial Year 2019 dated 03 April 2020.

RESOLUTES

The Voting Issues Of The Annual Meeting Of Financial Year 2019 (“The Voting”) unanimously passed the Resolution as follows:

Article 1: Reports on operation result of the Fund in 2019.

At the end of 2019, Vietnam Securities Investment Fund (“VF1”) recorded a remarkable growth. Net asset value per share (NAVPS) of VF1 increased by 10.6% compared to the previous year, outperformed the VF1 benchmark and VN-Index with the same growth rate of 7.7%. Seeing the opportunity when VN-Index twice exceeded the threshold of 1,000 points in mid-March and at the end of October, VF1 actively reallocated portfolio, quickly took profits from some investments and sought alternative opportunities. When the market was highly volatile with a downward trend, VF1 invested in fixed income with a proportion of 14.6% NAV, mainly for certificates of deposits with interest rates from 9.3% to 10.3%. VF1 also held about 6.6% NAV as cash and fixed deposits to be ready to disburse when good opportunity appears. Regarding stock portfolio, the Fund reduced proportion of mid-cap stocks to 0.6% NAV at the end of the year while continued to invest in large-cap stocks with good liquidity with a proportion of 78.2%.

Strictly follow 2019 strategy, VF1 actively increased proportion of stocks with impressive growth while reduced proportion of those that did not perform as expected as well as actively reallocated its balance between sectors and stocks to catch up with the market growth trend. Contributing to VF1’s performance were Technology Hardware & Equipment (+57.8%), Retailing (+34.5%), Banks (+26.3%) and Consumer Durables & Apparel (+24.3%). On the other hand, sectors with unexpected results

such as Diversified Financials (-40.1%), Pharmaceuticals & Biotechnology (-39.8%), Materials (-15.2%) and Food Beverage & Tobacco (-8.9%) have also dragged VF1's growth as well. Besides, since its performance were affected by competitiveness and declining demand, the Fund actively reduced all divestments in the first 6 months of this year (Diversified Financials, Pharmaceuticals & Biotechnology) and decreased proportion of them as soon as having screening results about market outlook.

Article 2: Audited Annual financial statement of the Fund in 2019.

The Voting unanimously agreed Audited Annual financial statement of the Fund in 2019.

Article 3: Profit distribution plan of the Fund in 2019.

The Voting unanimously agreed Profit distribution plan of the Fund in 2019 as follow:

VFMVF1 not to pay dividends for 2019 and reinvest all dividends.

Article 4: Operational plan of the Fund in 2020

The Voting unanimously agreed Operational plan of the Fund in 2020 as follow:

In 2020, Vietnam's market is forecasted to be unpredictable. In addition to political factors such as the Middle East conflict, the South China Sea dispute and the US-China trade war that adversely affected Vietnam's economy, outbreak of Covid-19 epidemic occurred in the beginning of the year also created a negative impact on Vietnam's GDP growth. According to the Ministry of Planning and Investment, GDP in 2020 is estimated to increase by 5.8% to 6.3% depending on the evolution of the epidemic, corresponding to a decrease of 0.4% to 0.9% according to initial target at the beginning of the year. However, in the context of volatile market due to influence from Covid-19, Vietnamese Government is still tough in developing epidemic prevention measures as well as implement appropriate policies to support economic growth in the coming time.

Among regional emerging markets, Vietnam has outstanding advantages with the best macro platform and economic growth, creating a solid basis for developing stock market. The Government has been implementing policy reforms to support and promote development for private companies. According to Bloomberg, net profit growth of 50 largest market capitalized companies in 2020 will be higher than it was in 2019 (about 22% compared to 16%). Steel and construction are expected to bring positive growth in 2020 when public investment activities have been intensified. Moreover, Banking stocks can also create new waves as many of them will be listed next year and complete Basel II pillars. As a result, Banking sector is likely to continue to be the leading force of the stock market as it is a parallel industry with macro platform.

In 2020, VF1 plans to allocate a neutral weighting according to our mandate between stocks and fixed income assets such as certificate of deposits and bonds. In terms of stocks, we continue to invest in sectors with urbanization trend such as Retail, Consumer Durables & Apparel and Banks, in addition to those that are benefited from FDI inflow such as Infrastructure and Real Estate. Moreover, stocks with sustainable fundamental valuation such as Food, Beverage & Tobacco will also be part of the Fund's key investment. During the year, portfolio manager will realize profits of investments that meet expectation to reinvest in more promising opportunities. Digitalization trend and IoT application developing in Vietnam and globally will create an opportunity for companies in software and telecommunication services industry, these stocks will be maintained a large proportion in portfolio. Stocks supported by sustainable fundamentals such as Food, Beverage & Tobacco will also continue to be the Fund's key. At the same time, Fund manager will also take profit from stocks that have achieved expected growth to reinvest in more positive prospects.

Article 5: Auditor selection for the Fund in 2020

The Voting unanimously authorized the Board of Representatives ("BOR") to select the auditing company for auditing financial statements of the Fund in 2020.

Article 6: Total operating budget for BOR in 2020.

The Voting unanimously agreed Total operating budget for BOR in 2020 as follow:

1. *Board of Representatives' remuneration:*

No.	Name of cost	Budget 2020	Actual 2019	% increase
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I	Remuneration	221,000,000	221,000,000	0%
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(% increase is the percentage differences between the actual 2019 and the budget 2020)

Note:

- The BoR's remuneration in 2020 is based on:
The structure of BoR includes one chairman, 2 deputy chairman, 2 members and 1 secretary with the following rates:
 - Chairman: 5 million dong / month
 - Duputy Chairman: 4 million dong / month
 - Members: 3 million dong / month
 - Secretary: 2 million dong / month
- In case the number of BoR members changes, the budget will be renewed based on the reality.

2. Board of Representatives' budget:

As related cost of BoR accounts for the insignificant amount in total cost of fund activities (less than 0.5%), since 2020, VFM will not propose detailed cost structure as well as neither declare budgeted expense at net asset value of the fund nor budget settlement (except for BoR's remuneration). Instead, VFM proposes to receive the related cost of BoR activities according to actual cost but not more than VND 100 million in the year of 2020.

The actual cost of BoR's activities in 2020 will be reported and updated to BoR before AGM and will be reported in AGM of the next year.

Article 7: Amendment, supplement to the Fund Charter

The Voting unanimously agreed Amendment, supplement to the Fund Charter as follow:

1. Supplement, Amendment to CONCEPTS & DEFINITIONS: to match with regulation CONCEPTS & DEFINITIONS

"Trading day"	<p>means the date when the fund management company, on behalf of the funds, issues or repurchase open-ended fund certificates as required by the investors by sending orders through appointed distribution agents before the Cut-off time.</p> <p>The trading day (T-day) is executed on every working day, except for the compensatory working day would be fallen on Saturday and/or Sunday.</p> <p><i>If the trading day falls on a public holiday, the trading shall be carried on the next trading day.</i></p>
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2. Supplement, Amendment to point d Clause 1- Article 16. Register of investors: to match with regulation

" ARTICLE 16. Register of investors

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...

d. Investor's information:

- i. For individual: Name investor, numbers of valid ID card or ~~passport~~ *Citizen Card*, trading code (for foreign investor) contact address, telephone numbers, email address (if any);
- ii. For the organization: full name, short name, trade name, head office address, the number of licenses for the establishment and operation / business registration certificate, *trading code (for foreign investor)*; full names, numbers of valid ID Card or *Citizen Card*, *trading code (for foreign investor)*, *passports (for authorized persons without Vietnamese nationality)* telephone

numbers, email addresses of persons authorized by institutional investors to execute fund certificate transactions.”

3. Supplement, Amendment to Clause 2- Article 17. Fund certificate transactions: to match with regulation

“ ARTICLE 17. Fund certificate transactions

1. ...
2. Trading frequency shall be arranged on every working day, except for the compensatory working day would be fallen on Saturday and/or Sunday. ***If the trading day falls on a public holiday, the trading shall be carried on the next trading day. The Fund management company shall announce to investors, distribution agents and other related service providers about details of the trading schedule and the Cut-off time whenever the holiday is coming on our website or emails.***
- ...”

4. Amendment to Clause 10- Article 45. Responsibilities of the fund management company for authorized activities: to match with regulation

” ARTICLE 45. Responsibilities of the fund management company for authorized activities

- ~~10. At least once per year, the fund management company must prepare the reports on assessing the performance of authorization with the following contents:~~
- ~~a. Expenses payable to the authorized service provider compared to the profit, income, total operating expenses of the fund;~~
 - ~~b. Influences (if any) of the authorization on the profit and risk degree of the fund;~~
 - ~~c. Total expenses for the authorization payable to the authorized service provider (in case the authorized service provider supplies many services to the fund management company);~~
 - ~~d. To assess the capacity of maintaining the system of internal control, risk management, security, technical infrastructure, the system of hot prevention, disaster prevention...of the authorized service provider, ensure the authorization to be fluent, harmless to the investment operation of investors.”~~

5. Amendment to Clause 2- Article 56. Principles of Valuation Method of the Net Asset Value: to match with regulation

” ARTICLE 56. Principles of Valuation Method of the Net Asset Value

1. ...
2. Method of valuation
- ...

No.	Type of asset	Principle for valuation of the transactions on the market
Cash and cash equivalents, money market instruments		
4.	Treasury bills, bank notes, commercial papers, transferable deposit certificates, bonds with the time to maturity of less than 3 months and discounted money market instruments	Purchase price plus accrued interest as of the date prior to the valuation date
Bonds		
5.	Listed bonds	- Quoted price or other name (clean price) or other name depending on the internal regulations of the Stock Exchange, on the trading system of the Stock Exchange for Outright Bond transaction on date having latest transactions prior to valuation date plus accrued interest; (to the extent

		<p>that the quote price has yet to include the accrued interest); (detailed in the Valuation Manual). In case there are many transactions on the trading system for outright bond transactions at the day of the latest transaction preceding the valuation date lead to having many quoted prices; the price used to value is the weight average price;</p> <p>In cases of In cases of no transaction on the trading system of the Stock Exchange in more than two (02) weeks until valuation date; or in case of only have transactions on the trading system of the Stock Exchange with abnormal significant fluctuation of price according to Valuation Manual 's regulations which approved in writing by fund representative board, It shall be valued according to the following order:</p> <p>+ Price determined by the method which is approved by the fund representative board (detailed in the Valuation Manual);</p> <p>+ Purchase price plus accumulated interest; + Face value plus accumulated interest.</p> <p>In the case of successful in bond auction, the bond will be valued based on the latest bid winning interest rate during the time for additional listing</p>
6.	Unlisted bonds	<p>It shall be valued according to the following order:</p> <p>+ Quoted price or other name (clean price) on quotation systems, depending on the internal regulations of the Stock Exchange, plus coupon accrued to the date prior to valuation date;</p> <p>+ The market price is the average price of successful transactions performed on the nearest transaction date before the price determination date which is provided by of at least three (03) quotation providers which are not related parties and approved by Fund's BOR. In the absence of a quotation, the price level is determined according to the theoretical model approved by the board for representations of the fund</p> <p>+ Purchase price plus accrued interest; + Face value plus accrued interest.</p>
7.	Warrant on Convertible Bonds	<p>The price determined in accordance with the methods approved by the Board of Representative on case by case.</p> <p>Average value from 3 quotation organizations not being the relevant person and approved by fund representative board; or</p> <p>- In case of no transaction value, price determined by the method which was approved by the fund representative board.</p>
8	Bond of issuers falling into winding-up or bankruptcy	Price determined by the method which is approved by the fund representative board on case by case.
Shares		

89.	Shares listed on Ho Chi Minh City Stock Exchange or Hanoi Stock Exchange, Shares of public companies are registered for trading on the UpCom system	<p>- Closed price (or other name depending on <i>internal</i> regulations of the Stock Exchange) on date having latest transaction prior to valuation date;</p> <p>- In case of no transaction in more than two (02) weeks until the date prior to the valuation date, it shall be valued according to the following order:</p> <p>+ Closed price (or other name depending on <i>internal</i> regulations of the Stock Exchange) on date having latest transaction within 12 months prior to valuation date;</p> <p>+ Purchase price (cost price);</p> <p>+ Book value;</p> <p>+ Price determined by the method which is approved by the fund representative board</p> <p>During the time of Shares change stock exchange procedures, closed price on date having latest transaction prior to valuation date will be used.</p> <p><i>In case the stock is accepted to be listed but have not had first transaction in the trading system is treated as an unlisted stock</i></p>
9	Shares of public companies are registered for trading on the UpCom system	<p>- Closed price (or quote price) on the transaction system at the Stock Exchanges on date having latest transaction prior to valuation date;</p> <p>- In case of no transaction in more than two (02) weeks until valuation date, it shall be:</p> <p>+ Closed price (or quote price) on the transaction system at the Stock Exchanges on date having latest transaction within 12 months prior to valuation date; or</p> <p>+ Purchase price; or</p> <p>+ Book value; or</p> <p>+ Price determined by the method which was approved by the fund representative board.</p> <p>During the time of UPCOM Shares exchange procedures for listing, closed price on date having latest transaction prior to valuation date on Upcom will be used.</p>
Derivative securities		
13	Listed derivative securities	<p>Closed price on latest transaction date prior to valuation date</p> <p>- Daily settlement price or other name as prescribed by regulations of Stock Exchange.</p> <p>- In case there is no daily settlement price or quoted price on Stock Exchange at the day preceding the valuation date, use the price determined in accordance with the methods approved by the Board of Representative.</p>

6. Supplement to Article 71. Registration of the Charter: Update Charter

“ ARTICLE 71. Registration of the Charter

1. ...

VFMVF1 Charter is amended and supplemented at the eight time including 16 Chapters, 72 Articles and 3 Appendixes according to Resolution of the Annual Financial General Meeting

of Investors 2019 passed by absentee voting, dated on 03/04/2019 and takes effect from 03/04/2019.”

Article 8: Effectiveness of the Resolution

The resolution is effective from its signing date.

On behalf of The General Meeting

(signed)

LUU DUC KHANH

Chairman of the BOR

On behalf of Fund Management Company

(signed & sealed)

TRAN THANH TAN

CEO