



**Vietnam Investment Fund Management
Joint Stock Company**

Interim Financial Statements for
the six-month period ended
30 June 2020



**Vietnam Investment Fund Management Joint Stock Company
Corporate Information**

**Investment/Establishment
and Operation Licence No.**

01/GPDT-UBCKNN	15 July 2003
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

The Investment Licence/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 Management

Mr. Dominic Scriven	Chairman
Mr. Tran Thanh Tan	Vice Chairman
Ms. Luong Thi My Hanh	Member
Mr. Le Hoang Anh	Member

Board of Directors

Mr. Tran Thanh Tan	Chief Executive Officer
Ms. Luong Thi My Hanh	Deputy General Director
Mr. Tran Le Minh	Deputy General Director
Mr. Nguyen Minh Dang Khanh	Deputy General Director

Board of Supervisors

Ms. Phan Thi Tuy Van	Chairman
Mr. Vo Tran Dinh Hieu	Member
Ms. Pham Thi Thanh Thuy	Member

Registered office

17th Floor, Me Linh Point
2 Ngo Duc Ke Street
Ben Nghe Ward, District 1
Ho Chi Minh City, Vietnam

Auditor

KPMG Limited
Vietnam

Vietnam Investment Fund Management Joint Stock Company Statement of the Board of Directors

The Board of Directors of Vietnam Investment Fund Management Joint Stock Company (“the Company”) presents this statement and the accompanying interim financial statements of the Company for the six-month period ended 30 June 2020.

The Board of Directors is responsible for the preparation and fair presentation of the interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to interim financial reporting. In the opinion of the Company’s Board of Directors:

- (a) the interim financial statements set out on pages 5 to 55 give a true and fair view of the financial position of the Company as at 30 June 2020, and of its results of operations and its cash flows for the six-month period then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to interim financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised the accompanying interim financial statements for issue.

On behalf of the Board of Directors



Tran Thanh Tan

Chief Executive Officer

Ho Chi Minh City, 12 August 2020



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115 Nguyen Hue Street, Ben Nghe Ward
District 1, Ho Chi Minh City, Vietnam
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INTERIM FINANCIAL INFORMATION REVIEW REPORT

To the Shareholders Vietnam Investment Fund Management Joint Stock Company

We have reviewed the accompanying interim financial statements of Vietnam Investment Fund Management Joint Stock Company ("the Company"), which comprise the balance sheet as at 30 June 2020, the statements of income and cash flows for the six-month period then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Directors on 12 August 2020, as set out on pages 5 to 55.

Management's Responsibility

The Company's Board of Directors is responsible for the preparation and fair presentation of these interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to interim financial reporting, and for such internal control as the Board of Directors determines is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these interim financial statements 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 financial and accounting matters, 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 accompanying interim financial statements do not give a true and fair view, in all material respects, of the financial position of Vietnam Investment Fund Management Joint Stock Company as at 30 June 2020, and of its results of operations and its cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to interim financial reporting.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Review Report No.: 20-01-00303-20-1




Auvarin Phor
Practicing Auditor Registration
Certificate No. 2252-2018-007-1
Deputy General Director



Pham Huy Cuong
Practicing Auditor Registration
Certificate No. 2675-2019-007-1

Ho Chi Minh City, 12 August 2020

Vietnam Investment Fund Management Joint Stock Company
Balance sheet as at 30 June 2020

Form B01a – CTQ
(Issued under Circular No. 125/2011/TT-BTC dated 5 September 2011 of the Ministry of Finance)

	Code	Note	30/6/2020 VND	31/12/2019 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 150)	100		219,046,005,602	291,379,225,284
Cash and cash equivalents	110	4	57,277,551,555	39,707,409,422
Cash	111		2,277,551,555	1,907,409,422
Cash equivalents	112		55,000,000,000	37,800,000,000
Short-term financial investments	120		148,209,153,475	205,451,619,117
Held-for-trading securities	121	5(a)	15,655,640,000	99,761,559,753
Held-to-maturity investments	123	5(b)	132,553,513,475	105,690,059,364
Accounts receivable – short-term	130		10,596,075,992	42,902,306,497
Accounts receivable from customers	131		-	19,892,371,995
Prepayments to suppliers	132	6	598,642,800	11,871,650,500
Receivables from management activities	134	7	8,016,466,649	7,841,654,107
Other short-term receivables	135	8	1,980,966,543	3,296,629,895
Other current assets	150		2,963,224,580	3,317,890,248
Short-term prepaid expenses	151	12(a)	2,963,224,580	3,317,890,248
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200		87,431,358,118	17,809,821,777
Accounts receivable – long-term	210		1,109,223,200	1,109,223,200
Other long-term receivables	218		1,109,223,200	1,109,223,200
Fixed assets	220		11,905,325,250	10,789,420,176
Tangible fixed assets	221	9	4,695,957,509	2,776,849,056
Cost	222		15,155,900,823	13,612,988,187
Accumulated depreciation	223		(10,459,943,314)	(10,836,139,131)
Intangible fixed assets	227	10	7,209,367,741	8,012,571,120
Cost	228		14,665,084,611	14,483,084,611
Accumulated amortisation	229		(7,455,716,870)	(6,470,513,491)
Long-term work in progress	240		-	91,000,000
Construction in progress	242		-	91,000,000
Long-term financial investments	250		70,000,000,000	-
Held-to-maturity investments	255	11	70,000,000,000	-
Other long-term assets	260		4,416,809,668	5,820,178,401
Long-term prepaid expenses	261	12(b)	379,524,875	919,826,108
Deferred tax assets	262	13	4,037,284,793	4,900,352,293
Other long-term assets	268	14	-	-
TOTAL ASSETS (270 = 100 + 200)	270		306,477,363,720	309,189,047,061

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

Vietnam Investment Fund Management Joint Stock Company
Balance sheet as at 30 June 2020 (continued)

Form B01a – CTQ
(Issued under Circular No. 125/2011/TT-BTC dated 5 September 2011 of the Ministry of Finance)

	Code	Note	30/6/2020 VND	31/12/2019 VND
RESOURCES				
LIABILITIES (300 = 310)	300		16,975,654,735	23,127,712,299
Current liabilities	310		16,975,654,735	23,127,712,299
Accounts payable to suppliers	311	15	512,361,260	1,355,335,664
Taxes and others payable to State Treasury	314	16	2,324,240,531	4,766,682,299
Accrued expenses	316	17	11,820,603,578	14,892,366,977
Other payables	319		2,318,449,366	2,113,327,359
EQUITY (400 = 410)	400		289,501,708,985	286,061,334,762
Owners' equity	410	18	289,501,708,985	286,061,334,762
Share capital	411	19	214,772,030,000	214,772,030,000
Share premium	412		(60,690,000,000)	(60,690,000,000)
Financial reserve	418		12,242,984,934	12,070,966,223
Reserve to supplement share capital	419		4,204,711,616	4,032,692,905
Retained profits	420		118,971,982,435	115,875,645,634
TOTAL RESOURCES (440 = 300 + 400)	440		306,477,363,720	309,189,047,061

OFF-BALANCE SHEET ITEMS

	Code	Note	30/6/2020 VND	31/12/2019 VND
Foreign currencies	005	20(b)	7,875,194	8,024,513
Cash in banks of entrustors	030	21	2,589,802,610	3,940,263,165
- Domestic entrustors	031		1,042,858,175	3,331,473,270
- Foreign entrustors	032		1,546,944,435	608,789,895
Investment portfolio of entrustors	040	22	112,508,489,990	172,610,280,134
- Domestic entrustors	041		83,818,846,308	85,223,534,939
- Foreign entrustors	042		28,689,643,682	87,386,745,195
Receivables of entrustors	050	23	1,215,088,493	1,225,789,364
Payables of entrustors	051	24	1,369,049,499	1,063,684,126

12 August 2020

Prepared by:



Mr. Nguyen Huu Tuan
General Accountant



Mr. Pham Thanh Dung
Chief Accountant

Approved by:



Mr. Tran Thanh Tan
Chief Executive Officer

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

Vietnam Investment Fund Management Joint Stock Company
Statement of income for the six-month period ended 30 June 2020

Form B02a – CTQ

*(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)*

	Code	Note	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Net revenue	10	25	38,654,139,880	47,771,465,258
Financial income	21	26	8,190,586,391	5,602,491,251
Financial expenses	22	27	11,880,006,621	9,323,892,613
General and administration expenses	25	28	33,344,213,873	36,916,286,556
Net operating profit (30 = 10 + 21 - 22 - 25)	30		1,620,505,777	7,133,777,340
Other income	31	29	2,884,425,000	-
Result of other activities (40 = 31)	40		2,884,425,000	-
Accounting profit before tax (50 = 30 + 40)	50		4,504,930,777	7,133,777,340
Income tax expense – current	51	30	201,489,054	620,466,938
Income tax expenses – deferred	52	30	863,067,500	878,823,061
Net profit after tax (60 = 50 - 51 - 52)	60		3,440,374,223	5,634,487,341
Basic earnings per share	70	32	160	262

12 August 2020

Prepared by:



Mr. Nguyen Huu Tuan
General Accountant

Approved by:



Mr. Pham Thanh Dung
Chief Accountant



Mr. Tran Thanh Tan
Chief Executive Officer

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

Vietnam Investment Fund Management Joint Stock Company
Statement of cash flows for the six-month period ended 30 June 2020
(Direct method)

Form B03a – CTQ
(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)

	Code	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from fund management activities and other activities	01	38,479,327,338	45,968,919,870
Payments for management activities and payments to suppliers	02	(13,165,718,890)	(15,206,529,279)
Payments to employees	03	(16,465,041,729)	(17,106,693,136)
Corporate income tax paid	05	(2,273,720,771)	(12,422,881,248)
Other receipts from operating activities	06	2,956,062,334	639,080,276
Other payments for operating activities	07	(5,491,003,572)	(6,362,914,926)
Net cash flows from operating activities	20	4,039,904,710	(4,491,018,443)
NET CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(2,771,672,300)	(3,203,754,800)
Proceeds from disposals of fixed assets	22	400,000,000	-
Payments for government and corporate bonds	23	(53,538,026,534)	(171,118,543,050)
Payments for certificates of deposits	23	(124,600,000,000)	(130,000,000,000)
Proceeds from disposals of government and corporate bonds	24	29,346,085,567	170,296,080,274
Proceeds from disposals of certificate of deposits	24	50,000,000,000	80,000,000,000
Payments for investments in shares	25	-	(96,481,518,072)
Proceeds from disposals of shares	26	105,284,113,339	59,663,867,635
Receipts of interest from term deposits and certificate of deposits and corporate bonds	27	9,409,737,351	3,846,782,889
Receipts of dividends	27	-	687,457,800
Net cash flows from investing activities	30	13,530,237,423	(86,309,627,324)

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

Vietnam Investment Fund Management Joint Stock Company
Statement of cash flows for the six-month period ended 30 June 2020
(Direct method – continued)

Form B03a – CTQ
(Issued under Circular No. 125/2011/TT-BTC dated 5 September 2011 of the Ministry of Finance)

	Code	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Net cash flows during the period (50 = 20 + 30)	50	17,570,142,133	(90,800,645,767)
Cash and cash equivalents at the beginning of the period	60	39,707,409,422	139,507,432,094
Cash and cash equivalents at the end of the period (70 = 50 + 60) (Note 4)	70	57,277,551,555	48,706,786,327

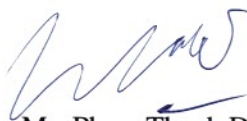
12 August 2020

Prepared by:



Mr. Nguyen Huu Tuan
General Accountant

Approved by:



Mr. Pham Thanh Dung
Chief Accountant



Mr. Tran Thanh Tan
Chief Executive Officer

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

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2020

Form B09a – CTQ

*(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)*

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

1. Reporting entity

(a) Ownership structure

Vietnam Investment Fund 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 its 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 2020 and 31 December 2019, the Company’s share capital is VND214,772 million.

(b) Principal activities

The principal activities of the Company are to provide fund management service, investment portfolio management service and investment consultancy 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 2020, the Company had 46 employees (31/12/2019: 47 employees) of which 17 staffs were management personnel, none were newly recruited, 1 staff was resigned and none were disciplined (31/12/2019: 18 staffs were management personnel, 9 staffs were newly recruited, 7 staffs were resigned and none were disciplined).

As at 30 June 2020 and 31 December 2019, the Company had 15 employees who were qualified for fund and assets management.

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)

Form B09a – CTQ

*(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)*

2. Basis of preparation

(a) Statement of compliance

The interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, Circular No. 125/2011/TT-BTC dated 5 September 2011 (“Circular 125”) issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to interim financial reporting. These standards and statutory requirements may differ in some material respects from International Financial Reporting Standards and the generally accepted accounting principles and standards of other countries. Accordingly, the accompanying interim financial statements are not intended to present the financial position and results of operations and cash flows in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than Vietnam. Furthermore, their utilisation is not designed for those who are not informed about Vietnamese accounting principles, procedures and practices applicable to investment fund management companies.

(b) Basis of measurement

The interim financial statements, except for the statement of cash flows, are prepared on the accrual basis using the historical cost concept. The statement of cash flows is prepared using the direct method.

(c) Annual accounting period

The annual accounting period of the Company is from 1 January to 31 December. These interim financial statements are for the six-month period ended 30 June 2020.

(d) Accounting and presentation currency

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

(e) Accounting documentation system

The Company uses accounting software to record its transactions and accounting book form is general ledger.

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)

Form B09a – CTQ

*(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)*

3. Summary of significant accounting policies

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

The accounting policies that have been adopted by the Company in the preparation of these interim financial statements are consistent with those adopted in the preparation of the latest annual financial statements.

(a) Foreign currency transactions

Transactions in currencies other than VND during the period have been translated into VND at rate approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the average of account transfer buying rate and selling rate at the end of the accounting period quoted by the commercial bank where the Company most frequently conducts transactions.

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

(b) Cash and cash equivalents

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(c) Investments

Investments comprises held-for-trading securities and held-to-maturity investments.

(i) *Held-for-trading securities*

Held-for-trading securities are those held by the Company for trading purpose i.e. purchased for resale with the aim of making profits over a short period of time. Held-for-trading securities are initially recognised at cost which include purchase price plus any directly attributable transaction costs such as brokerage charge, transaction fee, providing information fee and bank charge (if any). Subsequent to initial recognition, held-for-trading securities are measured at cost less allowance for diminution in value.

An allowance is made for diminution in value of held-for-trading securities if market price of the securities falls below its carrying amount based on promulgation of Circular No. 146/2014/TT-BTC dated 6 October 2014 (“Circular 146”) issued by the Ministry of Finance providing guidance of financial system for securities companies and investment fund management companies.

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)

Form B09a – CTQ

*(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)*

For listed securities, securities registered for trading, market price is the transacted price on the Stock Exchanges on the last trading date of securities before the valuation date, in details:

- For listed securities on the Stock Exchanges, market price is the closing price on the last trading date of securities before the valuation date.
- For securities registered for trading (shares registered for trading on Unlisted Public Company Market (“UPCOM”)), market price is the closing price on the last trading date of securities before the valuation date.

For unlisted securities and securities not yet registered for trading, market price is the average of quoted prices provided by three securities companies and transacted on the last trading date before the valuation date but not exceed one month before the valuation date. If there was no trading transaction during that period, no allowance for diminution in value of held-for-trading securities is required.

The Company made no allowance for diminution in value of held-for-trading securities if the Company were not able to determine market price of the securities.

Allowance for diminution in value of held-for-trading securities mentioned above is reversed if the market price subsequently increases after the allowance was recognised. An allowance is reversed only to the extent that the securities’ carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

(ii) Held-to-maturity investments

Held-to-maturity investments are those that the Company’s management has the intention and ability to hold until maturity. Held-to-maturity investments include certificates of deposits issued by credit institutions and corporate bonds that are hold until maturity. These investments are stated at costs less allowance for doubtful debts.

(d) Accounts receivable

Trade and other receivables are stated at cost less allowance for doubtful debts.

Allowance for doubtful debts is made based on the expected losses on undue debts which may occur when an economic organisation is bankrupted or liquidated; or debtor is missing, running away, being prosecuted, in prison, under a trial or pending execution of sentences or deceased or reference to the overdue status of debts using the following allowance rates:

Overdue status	Allowance rate
From six (06) months to less than one (01) year	30%
From one (01) year to less than two (02) years	50%
From two (02) years to less than three (03) years	70%
From three (03) years and above	100%

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)

Form B09a – CTQ
(Issued under Circular No. 125/2011/TT-BTC
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The Company's management also assesses the expected recovery of the receivable when making the allowance.

Increase/decrease in allowance for doubtful debts is recorded in the statement of income during the period, except when allowance for doubtful debts is used to write off the debts which were made allowance for and unable to recover. An allowance is reversed only to the extent that the receivables' carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

(e) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the statement of income in the period in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ office equipment	3 - 8 years
▪ motor vehicles	6 years

(f) Intangible fixed assets

Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over a period ranging from 4 to 8 years.

(g) Construction in progress

Construction in progress represents the costs of software system establishment which have not been fully completed. No depreciation is provided for construction in progress during the period of software system establishment.

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)

Form B09a – CTQ

*(Issued under Circular No. 125/2011/TT-BTC
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(h) Long-term prepaid expenses

(i) Tools and instruments

Tools and instruments include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Cost of tools and instruments are amortised on a straight-line basis over a period ranging from over 1 to 3 years.

(i) Trade and other payables

Trade and other payables are stated at their costs.

(j) Provisions

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

(k) Taxation

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in the statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using the tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)

Form B09a – CTQ
*(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)*

(l) Share capital

(i) Share capital and share premium

Ordinary shares are stated at par value. Incremental costs directly attributable to the issue of ordinary shares, net of tax effects, are recognised as a deduction from share premium. The excess of proceeds from issuance of shares over the par value of shares issued is recorded as share premium.

(ii) Repurchase and reissue of ordinary shares (treasury shares)

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognised as a reduction from equity. Repurchased shares are classified as treasury shares under equity. When treasury shares are sold for reissue subsequently, cost of the reissued shares is determined on a weighted average basis. Any difference between the amount received and the cost of the shares reissued is presented within share premium.

(m) Statutory reserves

According to Circular 146, the Company is required to make the following allocations:

	Annual allocation	Maximum balance
Reserve to supplement share capital	5% of profit after tax	10% of share capital
Financial reserve	5% of profit after tax	10% of share capital

The purpose of the reserve to supplement share capital is to supplement share capital of the Company as approved by its shareholders.

The purpose of the financial reserve is to compensate for loss incurred in the course of business, net of amount of loss that is compensated for by insurance companies or individuals causing such loss.

The Company is not allowed to use financial reserve and reserve to supplement share capital to pay dividends.

(n) Classification of financial instruments

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

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Notes to the interim financial statements for the six-month period ended 30 June 2020
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(i) Financial assets

Financial assets at fair value through profit or loss

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

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

Held-to-maturity investments

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

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

Loans and receivables

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

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

Available-for-sale financial assets

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

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

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(ii) Financial liabilities

Financial liabilities at fair value through profit or loss

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

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

Financial liabilities carried at amortised cost

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

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

(o) Entrusted investment contracts

The Company receives money from customers and uses the money to invest in securities on behalf of the customers in accordance with the terms of the entrusted investment contracts. Investments in securities on behalf of customers under entrusted investment contracts together with assets and liabilities in relation to such contracts are recorded in off-balance sheet in accordance with the guidance with Circular 125.

(p) Revenue and other income

(i) Services rendered

Management fee of investment fund, investment portfolio, redemption fee and subscription fee are recognised in the statement of income when earned. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(ii) Interest income

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

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Notes to the interim financial statements for the six-month period ended 30 June 2020
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(iii) Revenue from trading securities

Revenue from trading securities is recognised in the statement of income when the Company received notice of matching for trading securities from Vietnam Securities Depository (for listed securities) and completed asset transferred agreement (for unlisted securities).

(iv) Dividend income

Dividend income is recognised when the right to receive dividend is established. Share dividends are not recognised as financial income.

(q) Operating lease payments

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of income as an integral part of the total lease expense.

(r) Earnings per share

The Company presents basic and diluted earnings per share (“EPS”) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares, which comprise convertible bonds and share options.

(s) Related parties

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

Related companies refer to the parent company and its ultimate parent company and their subsidiaries and associates. Related parties also include funds managed by the Company.

(t) Nil balances

Items or balances required by Circular 125 that are not shown in the interim financial statements indicate nil balances.

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4. Cash and cash equivalents

	30/6/2020	31/12/2019
	VND	VND
Cash on hand	127,392,774	139,180,079
Cash in banks	2,150,158,781	1,768,229,343
Cash equivalents (*)	55,000,000,000	37,800,000,000
	<hr/>	<hr/>
Cash and cash equivalents in the statement of cash flows	57,277,551,555	39,707,409,422
	<hr/>	<hr/>

(*) Cash equivalents as at 30 June 2020 represented term deposits at banks in VND with original terms not exceeding 3 months and earned annual interest rate at 4.25% (31/12/2019: ranging from 5.00% to 5.50%).

Vietnam Investment Fund Management Joint Stock Company

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5. Short-term financial investments

(a) Held-for-trading securities

	30/6/2020				31/12/2019			
	Quantity	Cost VND	Market price VND	Allowance for diminution in value VND	Quantity	Cost VND	Market price VND	Allowance for diminution in value VND
Unlisted fund certificates								
▪ VEMVF1	-	-	-	-	1,148,222	40,241,164,388	46,790,142,901	-
▪ VEMVF4	-	-	-	-	2,886,489	43,868,395,365	50,617,012,999	-
Unlisted shares								
▪ THA	364,000	15,655,640,000	17,108,000,000	-	364,000	15,652,000,000	15,652,000,000	-
		15,655,640,000	17,108,000,000	-		99,761,559,753	113,059,155,900	-

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(b) Held-to-maturity investments

	Currency	Quantity	Interest rate	Maturity date	Cost/	
					Carrying amount 30/06/2020 VND	31/12/2019 VND
Certificates of deposits						
▪ Asia Commercial Joint Stock Bank	VND	1	7.05%	28/9/2020	10,000,000,000	-
▪ Asia Commercial Joint Stock Bank	VND	1	6.80%	6/11/2020	24,600,000,000	-
▪ Ho Chi Minh City Development Joint Stock Commercial Bank	VND	1	7.10%	26/9/2020	20,000,000,000	-
▪ SHBank Finance Company Limited	VND	50	10.30%	26/6/2020	-	50,000,000,000
Listed bonds						
▪ Vingroup Joint Stock Company	VND	525,000	10.25%	25/12/2020	52,593,973,797	52,690,059,364
Unlisted bonds						
▪ Ho Chi Minh City Infrastructure Investment Joint Stock Company	VND	260	11.00%	19/4/2021	25,359,539,678	-
▪ Kinh Bac City Development Share Holding Corporation	VND	30,000	10.00%	29/1/2020	-	3,000,000,000
					132,553,513,475	105,690,059,364

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6. Prepayments to suppliers

	30/6/2020	31/12/2019
	VND	VND
Nguyen Thi Chau Giang (*)	-	11,200,000,000
Other suppliers	598,642,800	671,650,500
	598,642,800	11,871,650,500

(*) On 27 December 2019, the Company has paid the first payment equivalent to 50% of the value of unlisted share purchase contract which signed between the Company and Ms. Nguyen Thi Chau Giang (“the Seller”) on 26 December 2019. According to the contract, the Seller has an obligation to transfer the ownership of the unlisted shares to the Company within 1 working day after the first payment date (“the obligation”). And if the Seller does not perform the obligation, the Seller has to pay a penalty of 0.03% of prepayment amount per day. As at 31 December 2019, the ownership of the unlisted shares has not been transferred to the Company. On 3 April 2020, the penalty was revised to be the difference of market value of the shares on payment date and the total contract value. On 27 June 2020, the Seller returned the first payment and paid the penalty to the Company.

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7. Receivables from management activities

	30/6/2020	31/12/2019
	VND	VND
Receivables from fund management activities – related parties (Note 31) (*):	6,661,512,698	6,785,397,890
▪ E1VFN30 - ETF VFMVN30	2,925,499,388	3,558,834,275
▪ VFMVF1 - Vietnam Securities Investment Fund	988,192,523	1,390,468,450
▪ VFMVF4 - Vietnam Blue-Chips Fund	759,374,369	1,104,785,637
▪ VFMVFB - Vietnam Bond Fund	735,947,581	618,045,328
▪ VFMVFC - Vietnam Capital Protection Oriented Fund	66,151,795	80,612,509
▪ VFMVSF - Vietnam Select Equities Investment Fund	442,811,252	32,651,691
▪ FUEVFN30 - ETF VFMVN DIAMOND	743,535,790	-
Receivables from investment management activities:	1,354,953,951	1,056,256,217
<i>Domestic entrustors</i>		
▪ D001	-	174,160,709
▪ D004	600,742,781	407,084,017
▪ Others	114,234,656	107,777,351
<i>Foreign entrustors</i>		
▪ F001	204,369,000	50,880,500
▪ Others	435,607,514	316,353,640
	8,016,466,649	7,841,654,107

(*) Receivables from related parties for management activities were unsecured, interest free and are receivable on demand.

8. Other short-term receivables

	30/6/2020	31/12/2019
	VND	VND
Interest income from corporate bonds	1,018,431,507	377,669,590
Interest income from certificates of deposits	819,443,288	2,666,712,329
Advances to employees	110,721,885	199,999,672
Interest income from term deposits	32,369,863	45,013,699
Other receivables	-	7,234,605
	1,980,966,543	3,296,629,895

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9. Tangible fixed assets

Six-month period ended 30 June 2020	Office equipment VND	Motor vehicles VND	Total VND
Cost			
Opening balance	12,475,228,523	1,137,759,664	13,612,988,187
Additions	82,172,300	2,598,500,000	2,680,672,300
Disposals	-	(1,137,759,664)	(1,137,759,664)
Closing balance	12,557,400,823	2,598,500,000	15,155,900,823
Accumulated depreciation			
Opening balance	9,698,379,467	1,137,759,664	10,836,139,131
Charge for the period	580,968,097	180,595,750	761,563,847
Disposals	-	(1,137,759,664)	(1,137,759,664)
Closing balance	10,279,347,564	180,595,750	10,459,943,314
Net book value			
Opening balance	2,776,849,056	-	2,776,849,056
Closing balance	2,278,053,259	2,417,904,250	4,695,957,509

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9. Tangible fixed assets (continued)

Six-month period ended 30 June 2019	Office equipment VND	Motor vehicles VND	Total VND
Cost			
Opening balance	10,302,564,123	1,137,759,664	11,440,323,787
Additions	1,960,941,200	-	1,960,941,200
Closing balance	12,263,505,323	1,137,759,664	13,401,264,987
Accumulated depreciation			
Opening balance	8,690,718,051	1,137,759,664	9,828,477,715
Charge for the period	428,614,379	-	428,614,379
Closing balance	9,119,332,430	1,137,759,664	10,257,092,094
Net book value			
Opening balance	1,611,846,072	-	1,611,846,072
Closing balance	3,144,172,893	-	3,144,172,893

Included in tangible fixed assets were assets costing VND7,584,709,477 which were fully depreciated as of 30 June 2020 (31/12/2019: VND8,562,260,541) but which are still in use.

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10. Intangible fixed assets

	Software	
	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Cost		
Opening balance	14,483,084,611	12,017,271,011
Additions	182,000,000	1,242,813,600
Closing balance	14,665,084,611	13,260,084,611
Accumulated amortisation		
Opening balance	6,470,513,491	4,782,822,396
Charge for the period	985,203,379	796,061,872
Closing balance	7,455,716,870	5,578,884,268
Net book value		
Opening balance	8,012,571,120	7,234,448,615
Closing balance	7,209,367,741	7,681,200,343

Included in intangible fixed assets were assets costing VND3,434,441,811 which were fully amortised as of 30 June 2020 (31/12/2019: VND3,051,745,811) but which are still in use.

11. Long-term financial investments

Held-to-maturity investments

	Currency	Quantity	Interest rate	Maturity date	Cost/Carrying amount	
					30/06/2020 VND	31/12/2019 VND
Unlisted bonds						
▪ Khang Dien House Trading and Investment Joint Stock Company	VND	70	12%	26/6/2022	70,000,000,000	-

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12. Prepaid expenses

(a) Short-term prepaid expenses

	30/6/2020	31/12/2019
	VND	VND
Rental fees	2,336,957,279	2,337,721,913
Insurance fees	225,511,287	423,537,848
Other prepaid expenses	400,756,014	556,630,487
	2,963,224,580	3,317,890,248
	2,963,224,580	3,317,890,248

(b) Long-term prepaid expenses

Six-month period ended 30 June 2020

	Tools and instruments
	VND
Opening balance	919,826,108
Additions	126,543,006
Amortisation during the period	(666,844,239)
	379,524,875
	379,524,875

Six-month period ended 30 June 2019

	Golf club memberships	Tools and instruments	Total
	VND	VND	VND
Opening balance	28,181,750	897,453,461	925,635,211
Additions	-	171,011,400	171,011,400
Amortisation during the period	(28,181,750)	(451,156,259)	(479,338,009)
	-	617,308,602	617,308,602
	-	617,308,602	617,308,602

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13. Deferred tax assets

Recognised deferred tax assets

	Tax rate	30/6/2020 VND	31/12/2019 VND
<i>Recognised deferred tax assets:</i>			
Accrued and allowance expenses	20%	4,037,284,793	4,900,352,293

14. Other long-term assets

	30/6/2020 VND	31/12/2019 VND
Cost	10,000,000,000	10,000,000,000
Allowance for diminution in the value of other long-term assets	(10,000,000,000)	(10,000,000,000)
	-	-

Other long-term assets amounting to VND10,000 million related to the transfer of rights and obligations under the Contract on transferring of rights and obligations dated 19 January 2018 between the Company and Vietnam Growth Investment Fund (“VFMVF2”).

Accordingly, the Company received rights and obligations transferred from VFMVF2 under the Business Co-operation Contract (“BCC”) No. 2407/HDKT-M&C signed by VFMVF2 and M&C Joint Stock Company (“M&C”) dated 8 November 2007 (“Contract 2407”) relating to the co-operation in the construction of Saigon M&C Tower Project located at 34 Ton Duc Thang Street, Ben Nghe Ward, District 1, Ho Chi Minh City (“the Project”) of which Sai Gon One Tower Joint Stock Company (formerly known as Saigon M&C Real Estate Joint Stock Company - a subsidiary of M&C Joint Stock Company as of the date of Contract 2407) was the investor.

According to Contract 2407, VFMVF2 contributed capital for construction of the Project in cash in exchange for a share of the output in form of floor area of apartments when the Project is completed. The Project has been suspended since 2011 and foreclosed by Vietnam Asset Management Company (“VAMC”) to settle, collect debts of related organisations. Accordingly, the Company has not recognised its share of the output from the jointly controlled asset under Contract 2407.

According to Resolution No. 06/VF2-2017/NQDH of the Annual General Meeting of VFMVF2’s Investors dated 14 December 2017, after the dissolution of VFMVF2, the Company would carry out law suit against M&C due to the breach of the contract or transfer this asset to third party. In case of the third-party’s payment or the compensation received by the Company from M&C higher than VND10,000 million, the Company would pay the surplus to the Fund Unitholders of VFMVF2 based on capital ratio after deducting the cost of transferring, lawsuit or collections.

As at 30 Jun 2020 and 31 December 2019, the Company has assessed and made 100% allowance for diminution in the value of this asset.

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15. Accounts payable to suppliers

Accounts payable to suppliers detailed by significant suppliers

	30/6/2020		31/12/2019	
	Cost VND	Amount within payment capacity VND	Cost VND	Amount within payment capacity VND
Technological Application & Production One Member Limited Liability Company	-	-	580,000,000	580,000,000
Bualuang Securities Public Company Limited	369,530,660	369,530,660	543,935,684	543,935,684
Viettel-CHT Company Limited	142,830,600	142,830,600	-	-
KPMG Limited's Branch in Ho Chi Minh City	-	-	162,800,000	162,800,000
Ho Chi Minh City Securities Corporation	-	-	2,600,000	2,600,000
Other suppliers	-	-	65,999,980	65,999,980
	512,361,260	512,361,260	1,355,335,664	1,355,335,664

16. Taxes and others payable to State Treasury

	31/12/2019 VND	Incurred VND	Paid VND	30/6/2020 VND
Corporate income tax	3,827,076,499	201,489,054	(2,273,720,771)	1,754,844,782
Personal income tax	935,921,885	3,069,253,960	(3,480,404,157)	524,771,688
Foreign contractor tax	14,231,959	151,599,355	(110,659,209)	55,172,105
Other taxes	(10,548,044)	375,124,942	(375,124,942)	(10,548,044)
	4,766,682,299	3,797,467,311	(6,239,909,079)	2,324,240,531

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17. Accrued expenses

	30/6/2020	31/12/2019
	VND	VND
Performance bonus	6,216,055,252	10,894,988,141
Consultant fee	2,629,850,000	2,206,850,000
Incentive salary and bonus	2,159,977,362	1,124,923,324
Referral fee	101,399,161	344,428,618
Others	713,321,803	321,176,894
	<hr/>	<hr/>
	11,820,603,578	14,892,366,977
	<hr/>	<hr/>

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18. Changes in owners' equity

	Share capital VND	Share premium VND	Treasury shares VND	Financial reserve VND	Reserve to supplement share capital VND	Retained profits VND	Total VND
Balance at 1 January 2020	214,772,030,000	(60,690,000,000)	-	12,070,966,223	4,032,692,905	115,875,645,634	286,061,334,762
Net profit for the period	-	-	-	-	-	3,440,374,223	3,440,374,223
Appropriation to financial reserve	-	-	-	172,018,711	-	(172,018,711)	-
Appropriation to reserve to supplement share capital	-	-	-	-	172,018,711	(172,018,711)	-
Balance at 30 June 2020	214,772,030,000	(60,690,000,000)	-	12,242,984,934	4,204,711,616	118,971,982,435	289,501,708,985
Balance at 1 January 2019	229,512,030,000	(60,690,000,000)	(14,740,000,000)	11,795,121,636	3,756,848,318	110,910,443,072	280,544,443,026
Net profit for the period	-	-	-	-	-	5,634,487,341	5,634,487,341
Cancellation of treasury shares	(14,740,000,000)	-	14,740,000,000	-	-	-	-
Appropriation to financial reserve	-	-	-	281,724,367	-	(281,724,367)	-
Appropriation to reserve to supplement share capital	-	-	-	-	281,724,367	(281,724,367)	-
Balance at 30 June 2019	214,772,030,000	(60,690,000,000)	-	12,076,846,003	4,038,572,685	115,981,481,679	286,178,930,367

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19. Share capital

As at 30 June 2020 and 31 December 2019, the Company's authorised and issued share capital were as follows:

	Number of shares	Par value VND
Authorised share capital	21,477,203	214,772,030,000
Issued share capital – Ordinary shares	21,477,203	214,772,030,000

Structure of the shareholders as at 30 June 2020:

	30/6/2020		
	Number of shares	Par value VND	Percentage of equity owned (%)
Shares currently in circulation – Ordinary shares			
Shareholders are:			
▪ Dragon Capital (Markets) Europe Limited	10,133,684	101,336,840,000	47.18
▪ Dragon Capital Management (HK) Limited	10,713,519	107,135,190,000	49.88
▪ The Company's employees	210,000	2,100,000,000	0.98
▪ Other individuals	420,000	4,200,000,000	1.96
	21,477,203	214,772,030,000	100.00

Structure of the shareholders as at 31 December 2019:

	31/12/2019		
	Number of shares	Par value VND	Percentage of equity owned (%)
Shares currently in circulation – Ordinary shares			
Shareholders are:			
▪ Dragon Capital Investment Management Limited	8,466,952	84,669,520,000	39.42
▪ Dragon Capital (Markets) Europe Limited	5,133,684	51,336,840,000	23.90
▪ Dragon Capital Management (HK) Limited	3,211,567	32,115,670,000	14.96
▪ The Company's employees	20,000	200,000,000	0.09
▪ Other individuals	4,645,000	46,450,000,000	21.63
	21,477,203	214,772,030,000	100.00

Vietnam Investment Fund Management Joint Stock Company
Notes to the interim financial statements for the six-month period ended 30 June 2020
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Dragon Capital Investment Management Limited, Dragon Capital (Markets) Europe Limited and Dragon Capital Management (HK) Limited are incorporated in the British Virgin Islands, the United Kingdom and Hong Kong, respectively. Dragon Capital Group Limited, the Company's ultimate parent company, is incorporated in the British Virgin Islands.

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company's shareholders. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

20. Off balance sheet items

(a) Lease commitments

The future minimum lease payments under non-cancellable operating leases were as follows:

	30/6/2020	31/12/2019
	VND	VND
Within one year	4,106,628,081	4,826,790,088
Within two to five years	370,272,000	2,088,561,855
	<hr/>	<hr/>
	4,476,900,081	6,915,351,943
	<hr/>	<hr/>

(b) Foreign currencies

	30/6/2020		31/12/2019	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	341	7,875,194	361	8,024,513
	<hr/>		<hr/>	

Vietnam Investment Fund Management Joint Stock Company
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21. Cash in banks of entrustors

Cash in banks of entrustors included cash in banks of the following entrustors:

	30/6/2020	31/12/2019
	VND	VND
Domestic entrustors		
D001 (i)	-	1,917,438,920
D002 (ii)	198,853,643	724,956,267
D003 (iii)	472,834,987	541,678,669
D004 (iv)	371,169,545	147,399,414
	<hr/> 1,042,858,175	<hr/> 3,331,473,270
Foreign entrustors		
F001 (v)	463,607,317	467,772,679
Other foreign entrustors (vi)	1,083,337,118	141,017,216
	<hr/> 1,546,944,435	<hr/> 608,789,895
	<hr/> 2,589,802,610	<hr/> 3,940,263,165

Details of movements in cash in banks of entrustors during the period were as follows:

(i) D001

	Six-month	Six-month
	period ended	period ended
	30/6/2020	30/6/2019
	VND	VND
Opening balance	1,917,438,920	586,237,993
Increase during the period	3,759,066,674	32,774,536
<i>Cash receipts from disposal of securities</i>	3,757,957,500	-
<i>Other increases</i>	1,109,174	32,774,536
Decrease during the period	(5,676,505,594)	(2,181,617)
<i>Withdrawal of investment capital by entrustor</i>	(5,481,687,136)	-
<i>Other decreases</i>	(194,818,458)	(2,181,617)
	<hr/> -	<hr/> 616,830,912
Closing balance	<hr/> -	<hr/> 616,830,912

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(ii) D002

	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Opening balance	724,956,267	-
Increase during the period	29,336,584,639	-
<i>Certificates of deposit at maturity</i>	18,200,000,000	-
<i>Interest income received</i>	8,827,169,039	-
<i>Other increases</i>	2,309,415,600	-
Decrease during the period	(29,862,687,263)	-
<i>Placements of term deposits</i>	(25,600,000,000)	-
<i>Payments for purchases of securities</i>	(3,866,495,438)	-
<i>Other decreases</i>	(396,191,825)	-
	198,853,643	-

(iii) D003

	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Opening balance	541,678,669	-
Increase during the period	7,278,480,699	-
<i>Cash receipts from entrustor</i>	2,243,355,000	-
<i>Certificates of deposit at maturity</i>	3,650,000,000	-
<i>Cash receipts from sales of securities</i>	1,295,878,575	-
<i>Other increases</i>	89,247,124	-
Decrease during the period	(7,347,324,381)	-
<i>Payments for purchases of securities</i>	(3,249,284,783)	-
<i>Placements of term deposits</i>	(3,800,000,000)	-
<i>Other decreases</i>	(298,039,598)	-
Closing balance	472,834,987	-

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(iv) D004

	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Opening balance	147,399,414	25,299,900,000
Increase during the period	26,044,388,649	67,341,087,124
<i>Cash receipts from sales of securities</i>	<i>17,878,069,655</i>	<i>1,776,456,312</i>
<i>Cash receipts from withdraw of term deposits</i>	<i>8,000,000,000</i>	<i>65,137,602,739</i>
<i>Other increases</i>	<i>166,318,994</i>	<i>427,028,073</i>
Decrease during the period	(25,820,618,518)	(91,593,139,793)
<i>Payments for purchases of securities</i>	<i>(25,781,118,760)</i>	<i>(23,575,193,657)</i>
<i>Placements of term deposits</i>	-	<i>(68,000,000,000)</i>
<i>Other decreases</i>	<i>(39,499,758)</i>	<i>(17,946,136)</i>
Closing balance	371,169,545	1,047,847,331

(v) F001

	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Opening balance	467,772,679	24,147,349,175
Increase during the period	447,799	14,726,808
<i>Other increases</i>	<i>447,799</i>	<i>14,726,808</i>
Decrease during the period	(4,613,161)	(22,021,159,350)
<i>Withdrawals of investment capital by entrustor</i>	-	<i>(22,000,000,000)</i>
<i>Other decreases</i>	<i>(4,613,161)</i>	<i>(21,159,350)</i>
Closing balance	463,607,317	2,140,916,633

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(vi) *Other foreign entrustors*

	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Opening balance	141,017,216	142,206,957
Increase during the period	950,187,347	189,095,672,526
<i>Cash receipts from disposal of securities</i>	<i>949,325,000</i>	<i>189,094,500,000</i>
<i>Other increases</i>	<i>862,347</i>	<i>1,172,526</i>
Decrease during the period	(7,867,445)	(189,100,708,765)
<i>Withdrawals of investment capital by entrustor</i>	<i>-</i>	<i>(189,094,500,000)</i>
<i>Other decreases</i>	<i>(7,867,445)</i>	<i>(6,208,765)</i>
Closing balance	1,083,337,118	137,170,718

22. Investment portfolio of entrustors

	30/6/2020 VND	31/12/2019 VND
Domestic entrustors	83,818,846,308	85,223,534,939
Listed shares	39,619,632,954	37,432,435,066
Listed bonds	14,788,745,313	14,759,742,750
Unlisted bonds	3,860,468,041	-
Term deposits	11,050,000,000	11,500,000,000
Certificates of deposits	14,500,000,000	21,531,357,123
Foreign entrustors	28,689,643,682	87,386,745,195
Unlisted shares	28,689,643,682	87,386,745,195
	112,508,489,990	172,610,280,134

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Details of investment portfolio held on behalf of entrustors were as follows:

	Code	30/6/2020				31/12/2019			
		Quantity	Cost VND	Market price VND	Allowance VND	Quantity	Cost VND	Market price VND	Allowance VND
Listed shares									
▪ Vietnam Technological and Commercial Joint Stock Bank	TCB	13,400	292,800,487	261,970,000	(30,830,487)	94,400	2,126,180,000	2,223,120,000	-
▪ Nam Long Investment Joint Stock Company	NLG	7,685	219,829,250	188,282,500	(31,546,750)	61,800	1,619,500,000	1,699,500,000	-
▪ FPT Telecom Joint Stock Company	FPT	115,000	5,990,010,749	5,249,750,000	(740,260,749)	70,100	3,964,791,000	4,086,830,000	-
▪ Mobile World Investment Corporation	MWG	33,200	3,949,594,463	2,682,560,000	(1,267,034,463)	39,000	4,686,007,000	4,446,000,000	(240,007,000)
▪ Phu Nhuan Jewelry Joint Stock Company	PNJ	37,000	3,122,664,472	2,123,800,000	(998,864,472)	59,400	4,916,406,000	5,108,400,000	-
▪ Military Commercial Joint Stock Bank	MBB	9,802	203,873,908	162,713,200	(41,160,708)	234,002	5,048,866,673	4,867,241,600	(181,625,073)
▪ Asia Commercial Joint Stock Bank	ACB	6,600	146,659,660	150,480,000	-	6,600	146,440,000	150,480,000	-
▪ Airports Corporation of Vietnam	ACV	1,800	131,136,410	104,940,000	(26,196,410)	1,200	98,360,000	90,000,000	(8,360,000)
▪ Taseco Air Services JSC	AST	-	-	-	-	1,600	106,750,000	136,000,000	-
▪ Joint Stock Commercial Bank for Investment and Development of Vietnam	BID	100,200	3,994,923,410	3,797,580,000	(197,343,410)	96,000	3,784,100,000	4,430,400,000	-
▪ Bao Viet Insurance Corporation	BVH	1,500	115,462,935	68,250,000	(47,212,935)	1,500	115,290,000	102,900,000	(12,390,000)
▪ Century Group Joint Stock Company	CRE	-	-	-	-	4,000	99,630,000	99,200,000	(430,000)
▪ Vietnam Joint Stock Commercial Bank for Industry and Trade	CTG	12,500	285,071,968	269,375,000	(15,696,968)	5,500	111,825,000	114,950,000	-
▪ Dat Xanh Group Joint Stock Company	DXG	111,000	1,370,909,235	1,243,200,000	(127,709,235)	12,400	175,735,000	179,800,000	-
▪ Vietnam Oil and Gas Group	GAS	4,400	380,464,691	303,600,000	(76,864,691)	4,500	459,628,269	421,650,000	(37,978,269)
▪ Hoa Phat Group Joint Stock Company	HPG	197,000	4,632,522,284	5,279,600,000	-	9,000	208,150,000	211,500,000	-
▪ Kinh Bac City Development Share Holding Corporation	KBC	16,000	236,209,993	221,600,000	(14,609,993)	10,800	168,570,000	166,860,000	(1,710,000)
▪ Khang Dien House Trading and Investment Joint Stock Company	KDH	7,200	172,971,376	167,040,000	(5,931,376)	7,800	187,105,000	209,820,000	-
▪ Binh Duong Mineral and Construction Joint Stock Company	KSB	11,500	226,199,556	244,375,000	-	4,000	97,190,000	68,000,000	(29,190,000)
▪ Song Hong Garment Joint Stock Company	MSH	3,000	143,265,075	98,850,000	(44,415,075)	1,600	97,099,000	70,880,000	(26,219,000)
▪ Masan Group Corporation	MSN	2,200	168,945,897	119,020,000	(49,925,897)	2,200	168,692,857	124,300,000	(44,392,857)
▪ Phuoc Hoa Rubber Joint Stock Company	PHR	65,800	2,999,087,177	3,270,260,000	-	2,400	173,830,000	91,680,000	(82,150,000)
▪ Viet Nam National Petroleum Group	PLX	2,000	124,377,954	89,000,000	(35,377,954)	2,000	124,191,667	112,000,000	(12,191,667)

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	Code	30/6/2020			31/12/2019				
		Quantity	Cost VND	Market price VND	Allowance VND	Quantity	Cost VND	Market price VND	Allowance VND
Listed shares (continued)									
▪ PetroVietnam Power Corporation	POW	-	-	-	-	7,500	97,500,000	85,875,000	(11,625,000)
▪ Phu Tai Joint Stock Company	PTB	1,500	106,559,600	73,500,000	(33,059,600)	1,500	106,400,000	105,000,000	(1,400,000)
▪ PetroVietnam Transportation Corporation	PVT	-	-	-	-	6,100	111,135,000	102,480,000	(8,655,000)
▪ R.E.E. Mechanical and Electrical Engineering Joint Stock Company	REE	3,200	118,580,347	98,080,000	(20,500,347)	3,200	118,402,743	116,160,000	(2,242,743)
▪ Saigon Beer-Alcohol-Beverage Joint Stock Corporation	SAB	600	153,934,556	94,200,000	(59,734,556)	1,500	384,260,000	342,000,000	(42,260,000)
▪ Sonadezi Chau Duc Shareholding Company	SZC	7,200	165,408,742	132,480,000	(32,928,742)	7,200	165,161,000	127,440,000	(37,721,000)
▪ Tin Nghia Industrial Park Development Joint Stock Company	TIP	-	-	-	-	3,100	105,480,000	62,310,000	(43,170,000)
▪ Joint Stock Commercial Bank for Foreign Trade of Vietnam	VCB	53,200	4,153,653,359	4,271,960,000	-	65,000	5,280,002,857	5,863,000,000	-
▪ Viet Nam Engine and Agricultural Machinery Corporation	VEA	3,300	164,356,165	138,930,000	(25,426,165)	2,300	119,230,000	103,500,000	(15,730,000)
▪ Vinh Hoan Corporation	VHC	104,400	3,484,091,607	3,664,440,000	-	3,400	139,630,000	134,810,000	(4,820,000)
▪ Vinhomes Joint Stock Company	VHM	7,200	617,970,367	543,600,000	(74,370,367)	9,000	771,306,000	763,200,000	(8,106,000)
▪ Vingroup Joint Stock Company	VIC	2,200	270,114,088	195,800,000	(74,314,088)	4,200	514,900,000	483,000,000	(31,900,000)
▪ Vietjet Aviation Joint Stock Company	VJC	400	53,239,740	43,200,000	(10,039,740)	400	53,160,000	58,480,000	-
▪ Vietnam Dairy Products Joint Stock Company	VNM	3,400	410,454,760	383,180,000	(27,274,760)	3,000	370,160,000	349,500,000	(20,660,000)
▪ Vietnam Prosperity Joint Stock Commercial Bank	VPB	9,800	224,903,850	200,410,000	(24,493,850)	6,000	116,000,000	120,000,000	-
▪ Vincom Retail Joint Stock Company	VRE	7,800	248,242,071	193,440,000	(54,802,071)	8,400	295,370,000	285,600,000	(9,770,000)
▪ Dong Hai Joint Stock Company of Bentre	DHC	4,000	150,105,000	138,200,000	(11,905,000)	-	-	-	-
▪ Nam Tan Uyen Joint Stock Corporation	NTC	900	156,234,000	169,920,000	-	-	-	-	-
▪ Viettel Post Joint Stock Corporation	VTP	2,000	234,803,752	269,600,000	-	-	-	-	-
Listed bonds									
▪ Masan Resources Joint Stock Company	MSR11800	70,000	7,125,096,607	7,088,133,570	-	70,000	7,113,598,800	7,114,488,500	-
▪ TTC Land	SCR11816	75,000	7,663,648,706	7,499,775,000	(163,873,706)	75,000	7,646,143,950	7,663,648,725	-

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	Code	30/6/2020			31/12/2019				
		Quantity	Cost VND	Market price VND	Allowance VND	Quantity	Cost VND	Market price VND	Allowance VND
Unlisted bonds									
▪ Ho Chi Minh City Infrastructure Investment Joint Stock Company	CIIBOND 2020-03	40	3,860,468,041	Not yet determined	Not yet determined	-	-	-	-
Unlisted shares									
▪ Sakkara Asia Pacific Project Holdings and Investment Real Estate	SAKKARA	-	-	-	-	-	-	-	-
▪ Vexere Joint Stock Company	Vexere	3,014	11,433,677,552	determined	determined	3,014	11,433,677,552	Not yet determined	Not yet determined
▪ Vietnam Compare Joint Stock Company	VNC	116,559	10,592,852,464	determined	determined	116,559	10,592,852,464	Not yet determined	Not yet determined
▪ Tiki Corporation	Tiki	696,557	6,663,113,666	determined	determined	696,557	6,663,113,666	Not yet determined	Not yet determined
Term deposits									
▪ Joint Stock Commercial Bank for Investment and Development of Vietnam		4	950,000,000	950,000,000	-	1	8,000,000,000	8,000,000,000	-
▪ Asia Commercial Joint Stock Bank		6	5,400,000,000	5,400,000,000	-	1	3,500,000,000	3,500,000,000	-
▪ Vietnam International Commercial Joint Stock Bank		3	4,700,000,000	4,700,000,000	-	-	-	-	-
Certificates of deposits									
▪ Home Credit Vietnam Finance Company Limited		7	7,000,000,000	7,000,000,000	-	7	7,000,000,000	7,000,000,000	-
▪ VPBank Finance Company Limited		7,500	7,500,000,000	7,500,000,000	-	7,500	7,500,000,000	7,500,000,000	-
▪ Saigon-Hanoi Commercial Joint Stock Bank		-	-	-	-	7	7,031,357,123	7,031,357,123	-
			<u>112,508,489,990</u>				<u>172,610,280,134</u>		

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The par value of unlisted shares, unlisted bonds, term deposits and certificates of deposits were as follows:

	30/6/2020	31/12/2019
	VND	VND
Unlisted shares	8,161,300,000	27,147,800,000
Unlisted bonds	4,000,000,000	-
Term deposits	11,050,000,000	11,500,000,000
Certificates of deposits	14,500,000,000	21,531,357,123
	<hr/>	<hr/>
	37,711,300,000	60,179,157,123
	<hr/>	<hr/>

The Company has not determined fair values of the unlisted securities held on behalf of entrustors for disclosure in the interim financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, Circular 125. The fair values of these investments may differ from their carrying amounts.

23. Receivables of entrustors

	30/6/2020	31/12/2019
	VND	VND
Interest income from certificates of deposits	802,857,534	924,695,891
Interest income from corporate bonds	339,273,973	217,658,219
Dividend income	5,100,000	78,983,200
Interest income from term deposits at banks	67,856,986	4,452,054
	<hr/>	<hr/>
	1,215,088,493	1,225,789,364
	<hr/>	<hr/>

24. Payables of entrustors

	30/6/2020	31/12/2019
	VND	VND
Investment management fee	1,354,953,951	1,056,256,217
Custody fees	14,095,548	7,427,909
	<hr/>	<hr/>
	1,369,049,499	1,063,684,126
	<hr/>	<hr/>

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25. Net revenue

Net revenue represents the gross invoiced value of services rendered exclusive of value added tax.

Net revenue comprised:

	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Management fee		
▪ Fund management activities (i)	35,516,706,793	39,217,470,175
▪ Entrusted investment management (ii)	692,754,131	1,289,604,931
Revenue from redemption of fund certificates (iii)	1,760,323,102	6,991,133,866
Revenue from subscription of fund certificates (iii)	684,355,854	273,256,286
	38,654,139,880	47,771,465,258

- (i) The Company currently manages VFMVF1, VFMVF4, VFMVFA, VFMVFB, VFMVSF, VFMVFC, FUEVFN30 and E1VFN30 which are investment funds incorporated in Vietnam. In which, VFMVFA is in the liquidation process. Details of these funds were as follows:

Short name	Principal activity	Establishment Registration Certificate	Net asset value as at 30/6/2020 VND
VFMVF1	Investment fund	No. 05/GCN-UBCK dated 8 October 2013	505,669,391,303
VFMVF4	Investment fund	No. 06/GCN-UBCK dated 16 December 2013	426,790,507,896
VFMVFA	Investment fund	No. 03/UBCK-GCN dated 18 April 2013	30,970,678
VFMVFB	Investment fund	No. 04/GCN-UBCK dated 10 June 2013	692,517,768,459
VFMVSF	Investment fund	No. 31/GCN-UBCK dated 2 March 2018	43,920,664,612
VFMVFC	Investment fund	No. 36/GCN-UBCK dated 3 April 2019	430,568,661,023
E1VFN30	Exchange-traded fund	No. 14/GCN-UBCK dated 18 September 2014	5,071,210,799,975
FUEVFN30	Exchange-traded fund	No. 43/GCN-UBCK dated 22 April 2020	1,362,487,799,178

The Company is entitled to receive management fee from VFMVF1, VFMVF4, VFMVFB, VFMVSF, VFMVFC, FUEVFN30 and E1VFN30 as follows:

Fund	Management fee
VFMVF1	1.95% of net asset value per year
VFMVF4	1.93% of net asset value per year
VFMVFB	1.00% of net asset value per year
VFMVSF	0.75% of net asset value per year
VFMVFC	1.20% of net asset value per year
E1VFN30	0.65% of net asset value per year
FUEVFN30	0.80% of net asset value per year

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In accordance with the charter of VFMVFA, the Company is entitled to receive a monthly management fee in arrears equal to one twelfth of 1.78% net asset value of VFMVFA. According to 2016 Resolution of Investors General Meeting and 2017 Extraordinary Investors General Meeting dated 13 February 2017, the Company agreed not to receive any monthly management fee from VFMVFA from 17 March 2017.

- (ii) The Company also entered into entrusted investment contracts under which the Company is entitled to receive management fee and performance fee. The performance fee is received only if certain conditions as stated in the entrusted investment contracts are met. There were no performance fees receivable from entrustors for the six-month period ended 30 June 2020 as the conditions have not been met (six-month period ended 30 June 2019: nil).
- (iii) The Company is also entitled to receive fees from subscription and redemption of fund certificates as below:

Fund	Total subscription fee	Total redemption fee
VFMVF1	0.20% - 0.60% of subscription amount	0.00% - 2.50% of fund certificates value
VFMVF4	0.20% - 0.60% of subscription amount	0.00% - 2.50% of fund certificates value
VFMVFB	0.00% - 0.20% of subscription amount	0.00% - 2.00% of fund certificates value
VFMVSF	0.00% - 3.00% of subscription amount	0.00% of fund certificates value
VFMVFC	0.00% - 0.20% of subscription amount	0.00% - 2.00% of fund certificates value
E1VFN30	0.00% of subscription amount	0.00% - 0.15% of fund certificates value
FUEVFVND	0.00% of subscription amount	0.00% - 0.15% of fund certificates value

26. Financial income

	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Interest income from bank deposits and certificate of deposits	4,328,467,186	3,847,156,861
Gains from disposals of government and corporate bonds	3,862,119,205	730,834,424
Dividend income	-	687,457,800
Gains from disposals of listed shares and listed fund certificates	-	337,042,166
	8,190,586,391	5,602,491,251

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27. Financial expenses

	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Allowance made for diminution in the value of held-for-trading securities	-	2,491,029,125
Losses from disposals of government bonds	1,928,486,856	1,553,297,200
Losses from disposals of listed shares	-	226,481,751
Losses from disposals of unlisted shares and fund certificates	9,914,178,409	4,912,802,660
Brokerage fees	-	91,713,550
Bank charges	37,341,356	48,568,327
	11,880,006,621	9,323,892,613

28. General and administration expenses

	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Staff costs	17,734,612,108	19,356,733,827
Office expenses	7,367,381,865	6,418,011,447
Customer referral fees	1,324,174,671	3,299,943,435
Information inquiry expenses	668,430,678	457,590,232
Advertising expenses	816,313,562	1,959,079,866
Expenses for business trips and transportation	867,703,411	2,176,567,276
Entertainment expenses	694,382,293	1,026,692,947
Depreciation and amortisation	1,746,767,226	1,224,676,251
Gift expenses	755,250,357	386,290,200
Professional fees	1,285,477,000	335,071,000
Training and seminar expenses	16,830,000	81,840,000
Others	66,890,702	193,790,075
	33,344,213,873	36,916,286,556

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29. Other income

	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Representative fee	115,425,000	-
Gains from disposal fixed assets	400,000,000	-
Compensation from securities purchase contract violation	2,369,000,000	-
	2,884,425,000	-

30. Corporate income tax

(a) Recognised in the statement of income

	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Current tax expense		
Current period	201,489,054	620,466,938
Deferred income tax expense		
Originations and reversals of temporary differences	863,067,500	878,823,061
	1,064,556,554	1,499,289,999

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(b) Reconciliation of effective tax rate

	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Accounting profit before tax	4,504,930,777	7,133,777,340
Tax at the Company's tax rate	900,986,155	1,426,755,468
Non-deductible expenses	163,570,399	210,026,091
Tax exempt income (*)	-	(137,491,560)
	1,064,556,554	1,499,289,999

(*) Tax exempt income relates to dividend income.

(c) Applicable tax rates

Under the prevailing Corporate Income Tax Law, the Company has an obligation to pay the corporate income tax at the rate of 20% of taxable profits.

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31. Significant transactions with related parties

	Nature of transaction	Transaction value		Balance outstanding as at	
		Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND	30/6/2020 VND	31/12/2019 VND
Funds under the Company's management					
▪ VFMVF1	Management fee	6,838,596,953	10,185,775,622	962,530,650	1,365,407,189
	Subscription fee	62,510,135	115,604,333	11,962,025	6,212,151
	Redemption fee	168,859,813	1,671,919,976	13,699,848	18,849,110
▪ VFMVF4	Management fee	4,684,905,399	8,452,214,925	707,895,540	1,020,678,576
	Subscription fee	127,574,934	106,470,648	14,789,829	4,220,000
	Redemption fee	444,648,485	2,721,113,000	36,689,000	79,887,061
▪ VFMVFB	Management fee	3,063,228,881	2,768,311,776	613,606,798	421,323,975
	Subscription fee	186,944,785	227,775,090	16,031,222	1,739,067
	Redemption fee	857,560,804	2,550,861,904	106,309,561	194,982,286
▪ EIVFVN30	Management fee	19,316,847,786	17,331,965,258	2,925,499,388	3,558,834,275
▪ VFMVSF	Management fee	267,990,606	310,133,872	136,811,252	32,651,691
	Subscription fee	306,000,000	-	306,000,000	-
▪ VFMVFC	Management fee	331,407,450	169,068,722	44,488,219	68,725,178
	Subscription fee	1,326,000	3,406,215	76,000	20,000
	Redemption fee	289,254,000	47,238,986	21,587,576	11,867,331
	Payments on behalf	-	30,000,000	-	-
▪ FUEVFN30	Management fee	1,013,729,718	-	743,535,790	-
Other related company					
▪ Dragon Capital Markets Limited	Management fee	61,114,291	798,817,387	138,883,552	77,769,261

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32. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share for the six-month period ended 30 June 2020 was based on the profit attributable to ordinary shareholders for the six-month period ended 30 June 2020 of VND3,440,374,223 (six-month period ended 30 June 2019: VND5,634,487,341) and the weighted average number of ordinary shares outstanding of 21,477,203 shares (six-month period ended 30 June 2019: 21,477,203 shares), details as follows:

(i) Net profit attributable to ordinary shareholders

	Six-month period ended 30/6/2020 VND	Six-month period ended 30/6/2019 VND
Net profit attributable to ordinary shareholders	3,440,374,223	5,634,487,341

(ii) Weighted average number of ordinary shares

	Six-month period ended 30/6/2020 Shares	Six-month period ended 30/6/2019 Shares
Issued ordinary shares at the beginning of the period	21,477,203	21,477,203
Effect of ordinary shares issuance during the period	-	-
Weighted average number of ordinary shares for the period	21,477,203	21,477,203

(iii) Basic earnings per share

	Six-month period ended 30/6/2020	Six-month period ended 30/6/2019
Basic earnings per share	160	262

(b) Diluted earnings per share

At the reporting date, the Company does not have potential ordinary shares, therefore the disclosure of diluted earnings per share is not applicable.

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33. Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

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

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from deposits in banks, held-to-maturity investments and receivables.

(i) *Exposure to credit risk*

The total of carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	30/6/2020 VND	31/12/2019 VND
Cash in banks and cash equivalents	(ii)	57,150,158,781	39,568,229,343
Held-to-maturity investments	(iii)	202,553,513,475	105,690,059,364
Accounts receivable from customers	(iv)	-	19,892,371,995
Receivables from management activities	(iv)	8,016,466,649	7,841,654,107
Other receivables – gross	(iv)	1,870,244,658	3,096,630,223
		269,590,383,563	176,088,945,032

(ii) *Cash in banks and cash equivalents*

Cash in banks and cash equivalents of the Company are mainly held with well-known financial institutions. The Board of Directors does not foresee any significant credit risks from these deposits and does not expect that these financial institutions may default and cause losses to the Company.

(iii) *Held-to-maturity investments*

Held-to-maturity investments include certificates of deposits issued by prestigious financial institutions and corporate bonds. The Company's Board of Directors did not foresee any material credit risks in these certificates of deposits and was not under the impression that these entities would default and result in losses to the Company.

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(iv) *Accounts receivable from customers, receivables from management activities and other receivables*

Accounts receivable from customers, receivables from management activities and other receivables mainly include receivables from disposals of investments, receivables from fund management activities, and interest receivables from term deposits, certificate of deposits and corporate bonds. Credit risk in relation to receivables from fund management activities is considered minimal as these are receivables from funds under management of the Company. Receivables from disposals of securities represent sale transactions awaiting settlement. Credit risk in relation to unsettled transactions is considered minimal due to short settlement period involved. The Board of Directors believes that those receivables are of high credit quality.

The maximum exposure to credit risk faced by the Company is equal to the carrying amounts of cash in banks and cash equivalents, short-term financial investments, accounts receivable from customers, receivables from management activities and other receivables.

No receivables as of 30 June 2020 and 31 December 2019 were past due or impaired.

(b) **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The financial liabilities with fixed or determinable payments have the following contractual maturities including the estimated interest payments:

As at 30 June 2020	Carrying amount VND	Contractual cash flows VND	Within 1 year VND
Accounts payable to suppliers	512,361,260	512,361,260	512,361,260
Accrued expenses	11,820,603,578	11,820,603,578	11,820,603,578
Other payables	2,318,449,366	2,318,449,366	2,318,449,366
	14,651,414,204	14,651,414,204	14,651,414,204
As at 31 December 2019	Carrying amount VND	Contractual cash flows VND	Within 1 year VND
Accounts payable to suppliers	1,355,335,664	1,355,335,664	1,355,335,664
Accrued expenses	14,892,366,977	14,892,366,977	14,892,366,977
Other payables	2,113,327,359	2,113,327,359	2,113,327,359
	18,361,030,000	18,361,030,000	18,361,030,000

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(c) Market risk

Market risk is the risk that changes in share prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's results of operations or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate as a result of changes in market interest rates.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was as follows:

	Carrying amount	
	30/6/2020	31/12/2019
	VND	VND
Fixed rate instruments		
Cash in banks	2,150,158,781	1,768,229,343
Cash equivalents	55,000,000,000	37,800,000,000
Held-to-maturity investments	202,553,513,475	105,690,059,364
	259,703,672,256	145,258,288,707

As at 30 June 2020 and 31 December 2019, the Company's exposure to interest rate risk is considered as minimal because its interest-bearing financial instruments had fixed interest rate.

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate as a result of changes in foreign exchange rate.

As at 30 June 2020 and 31 December 2019, the Company is not significantly exposed to currency risk as the Company's assets and liabilities are mainly denominated in Vietnam Dong which is the Company's functional currency.

(iii) Equity price risk

Equity price risk is the risk that the value of financial instruments decrease as a result of the fluctuation in share price and securities market value.

The Company invests in fund certificates and shares listed on the Ho Chi Minh City Stock Exchange, shares registered for trading on UPCOM, unlisted shares and unregistered share and VN30 Index future contracts. Their values are affected by market price risk arising from the uncertainty in the fluctuation of the future market value of these securities. Equity price risk is managed by the Company by diversifying the investment portfolio and careful selection of securities within specified limits.

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(d) Fair value of financial assets and liabilities

Fair value is the value that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, were as follows:

	30/6/2020		31/12/2019	
	Carrying amount VND	Fair value VND	Carrying amount VND	Fair value VND
Financial assets				
<i>Categorised as held-to-maturity investments</i>				
▪ Certificates of deposits	54,600,000,000	54,600,000,000	50,000,000,000	50,000,000,000
▪ Listed corporate bonds	52,593,973,797	53,016,472,469	52,690,059,364	53,366,775,000
▪ Unlisted corporate bonds	95,359,539,678	Not yet determined	3,000,000,000	Not yet determined
<i>Categorised as financial assets at fair value through profit or loss</i>				
▪ Held-for-trading securities	15,655,640,000	17,108,000,000	99,761,559,753	113,059,155,900
<i>Categorised as loans and receivables:</i>				
▪ Cash and cash equivalents	57,277,551,555	57,277,551,555	39,707,409,422	39,707,409,422
▪ Accounts receivable from customers	-	-	19,892,371,995	19,892,371,995
▪ Receivables from management activities	8,016,466,649	8,016,466,649	7,841,654,107	7,841,654,107
▪ Other receivables	1,870,244,658	1,870,244,658	3,096,630,223	3,096,630,223
Financial liabilities				
<i>Categorised as financial liabilities carried at amortised cost:</i>				
▪ Accounts payable to suppliers	(512,361,260)	(512,361,260)	(1,355,335,664)	(1,355,335,664)
▪ Accrued expenses	(11,820,603,578)	(11,820,603,578)	(14,892,366,977)	(14,892,366,977)
▪ Other payables	(2,318,449,366)	(2,318,449,366)	(2,113,327,359)	(2,113,327,359)

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Basis for determining fair value

Held-for-trading securities

For listed securities on the Stock Exchanges and securities registered for trading (shares registered for trading on UPCOM), fair value is the closing price on the last trading date before the end of the accounting period.

For unlisted securities and securities not yet registered for trading, fair value is the average of quoted prices provided by three securities companies and transacted on the last trading date before the end of the accounting period but not exceed one month before the the end of the accounting period.

Other financial instruments

Fair values of the Company's other financial assets and liabilities approximate their carrying amounts as at 30 June 2020 and 31 December 2019 due to the short maturities of these financial instruments.

34. Changes in accounting estimates

In preparing these interim financial statements and annual financial statements, the Board of Directors has made several accounting estimates. Actual results may differ from these estimates. There is no significant changes in accounting estimates for the six-month period ended 30 June 2020 compared to those made in the most recent annual financial statements or those made in the same interim period of the prior year.

35. Unusual items

The Covid-19 pandemic was first confirmed in Vietnam on 23 January 2020. The Government of Vietnam has implemented many preventive measures, including the implementation of social distancing from 1 April 2020. From 23 April 2020 to 30 June 2020, Vietnam has basically loosened the social distancing and domestic economic and social activities have gradually returned to normal status. However, the worldwide number of infections continues to rise. The Covid-19 pandemic greatly affected the business activities of many businesses in many different industries.

For the six-month period ended 30 June 2020, the Company has made a slightly change to its asset structure to be responsive for impact from the Covid-19 pandemic, if any. Any continuing impact of the Covid-19 pandemic on the Company's result of operation cannot be reliably estimated at present.

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36. Changes in the Company's composition

There were no significant changes in the Company's composition since the end of the last annual accounting period which affect the Company's interim financial statements for the six-month period ended 30 June 2020.

12 August 2020

Prepared by:



Mr. Nguyen Huu Tuan
General Accountant

Approved by:



Mr. Pham Thanh Dung
Chief Accountant



CÔNG TY
CỔ PHẦN
QUẢN LÝ
QUỸ ĐẦU TƯ
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S. QUẬN - T. P. HỒ CHÍ MINH

Mr. Tran Thanh Tan
Chief Executive Officer

