

DFVN CAPITAL APPRECIATION FUND

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**



DFVN CAPITAL APPRECIATION FUND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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DFVN CAPITAL APPRECIATION FUND

GENERAL INFORMATION OF THE FUND

Establishment registration certificate of Open-ended fund	56/GCN-UBCK issued by the State Securities Commission ("SSC") on 16 October 2018	
Certificate of Establishment registration of open-ended fund	34/GCN-UBCK issued by the SSC on 3 January 2019	
Board of Representatives	Mr. Do Hung Viet Mr. Huynh Van Dung Mr. Nguyen Gia Huy Chuong	Chairperson Member Member
Fund Management Company	Dai-ichi Life Vietnam Fund Management Company Limited	
Board of Executives of the Fund Management Company	Mr. Tran Chau Danh Mr. Masafumi Takeshita Mr. Dang Vi Thanh	Chief Executive Officer cum Chief Investment Officer Corporate Planning and Risk Management Assistant Director Member, Assistant Director Head of Business Development
Supervising Bank	HSBC Bank (Vietnam) Limited	
Registered Office	11th Floor, 149-151 Nguyen Van Troi Street, Ward 11, Phu Nhuan District, Ho Chi Minh City, Vietnam	
Auditor	PwC (Vietnam) Limited	

DFVN CAPITAL APPRECIATION FUND

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

Board of Executives of Dai-ichi Life Vietnam Fund Management Company Limited ("the Fund Management Company") is responsible for preparing the financial statements which give a true and fair view of the financial position and investment portfolio of DFVN Capital Appreciation Fund ("the Fund") as at 31 December 2021 and the results of its operations, changes in net asset value, subscriptions and redemptions of fund units and cash flows for the year then ended. In preparing these financial statements, Board of Executives of the Fund Management Company is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Fund will continue in business.

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

DFVN CAPITAL APPRECIATION FUND

APPROVAL OF THE FINANCIAL STATEMENTS BY THE BOARD OF REPRESENTATIVES

We hereby approve the accompanying financial statements from page 19 to 58 which give a true and fair view of the financial position and the investment portfolio of the Fund as at 31 December 2021 and of the results of its operations, changes in net asset value, subscriptions and redemptions of fund units and cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to open-ended investment funds including Circular 198/2012/TT-BTC issued by the Ministry of Finance on 15 November 2012 on the promulgation of accounting system for open-ended investment funds, Circular 181/2015/TT-BTC issued by the Ministry of Finance on 13 November 2015 on the promulgation of accounting system for exchange-traded funds, Circular 98/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020 on providing guidance on operation and management of securities investment funds and prevailing regulations on preparation and presentation of financial statements applicable to open-ended investment funds.

On behalf of the Board of Representatives

A handwritten signature in blue ink, appearing to read 'Do Hung Viet', is written over a horizontal line. The signature is stylized and fluid.

Do Hung Viet
Chairperson

Ho Chi Minh City, Vietnam
24 March 2022

DFVN CAPITAL APPRECIATION FUND

REPORT OF THE FUND MANAGEMENT COMPANY

1 GENERAL INFORMATION OF DFVN CAPITAL APPRECIATION FUND (“THE FUND” OR “DFVN-CAF”)

1.1 Objectives of the Fund

DFVN-CAF provides the investors with asset and capital appreciation and aims to outperform the Vietnam stock market (VN-Index) as benchmark in the long term by investing mainly in a diversified portfolio of listed equities on Vietnam securities market.

1.2 Performance result of the Fund

According to the audited financial statements of the Fund, its net asset value (“NAV”) as at 31 December 2021 increased by 51.42% as compared with those as at 31 December 2020.

1.3 The Fund’s investment strategy and policy

Investment strategy:

The DFVN-CAF will invest into a diversified investment portfolio including listed equity with large market cap on Vietnamese securities market. The selection of sectors and companies is executed based on evaluating value style, fundamental analysis and assessment on market sectors. Conditions for company selection are as follows:

- Leading positions in its sectors;
- Strong financial situation;
- Strong cash flow or good and high quality asset base; and
- Good corporate governance

The main investment areas of DFVN-CAF shall concentrate on the listed equity on Vietnam stock exchange, the equity about to be listed and the shares of the equitized corporation.

The investable assets of the Fund:

- Term deposits at commercial banks in accordance with the Laws on banking;
- Money market instruments include valuable paper, negotiable instrument in accordance with the relevant Laws;
- Government debt instruments, Government guaranteed bonds, municipal bonds;
- Listed shares, shares registered for trading, listed bonds listed on the stock exchange, public fund unit;
- Shares initially offered to the public, bonds offered to the public; corporate bonds privately placed by listed organizations with payment guarantee by credit institutions or with the issuer's commitment to repurchase at least 30% of the value of the bond offering at least once every 12 months. In case of investments in these assets at this point; there are following conditions to be satisfied:
 - The Board of Representatives has provided written consent to the class and code of the securities, the quantity and value of the transaction, and the time for implementation; as stipulated in the Prospectus;
 - There is adequate proof that payment guarantee is provided by credit institutions or commitment to buy back from issuer.
- Derivatives listed on stock exchange and used for prevention of risks to underlying securities held by the fund;
- The rights that may arise in connection with securities being held by the Fund.

DFVN CAPITAL APPRECIATION FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

1 GENERAL INFORMATION OF DFVN CAPITAL APPRECIATION FUND (continued)

1.3 The Fund's investment strategy and policy (continued)

Investment structure:

Investment assets	Allocation (% of The Fund NAV)
Share equity	50% – 100%
Short term deposit (*)	0 – 49%
Cash on current account of the Fund at the Supervisory Bank	The remaining asset value after investing the above two (2) asset types

(*) Maximum three-month term deposits; only approved investment grade banks by the Board of Representatives.

1.4 Classification of the Fund

The Fund is an open-ended public investment fund.

1.5 Life of the Fund

The Fund has an indefinite life.

1.6 Short-term risk

The Fund is exposed to medium risk in the short-term.

At the same time, with the dynamic investment selection method as presented below, the Fund's short-term risk level also corresponds flexibly according to each time of investment.

The Fund will apply an active investment strategy to find, identify and select investment opportunities. Based on studies, fundamental macroeconomic analysis, company analysis, market factors, the Fund will develop a model of asset allocation in accordance with the Fund's investment objectives and appropriate with market conditions at each different stage. For each investment, the Fund will focus on finding and exploiting investments with attractive market value compared to basic values, long-term growth-oriented investments. At the same time, the Fund also identifies risks to portfolios and controls for these risks. As a result, the Fund's portfolio includes high-quality investment assets and can add value through the Fund's active investment management strategy.

1.7 Inception of the Fund

The Fund has been operating since 3 January 2019.

1.8 Size of the Fund at reporting date

As of 31 December 2021, the number of Fund units in circulation is 9,459,789.45 units, equivalent to the scale of the Fund at par value is VND 94,597,894,500.

1.9 Benchmark index of the Fund

The Fund has no benchmark index.

DFVN CAPITAL APPRECIATION FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

1 GENERAL INFORMATION OF DFVN CAPITAL APPRECIATION FUND (continued)

1.10 Profit distribution policy of the Fund

As mentioned in the Prospectus, the main objective of the Fund is to invest in equity and focus on capital growth in the medium and long term. Therefore, the Fund has limited dividend. The distribution of profits (if any) will be based on the audited financial statements of the Fund within the framework of the law, as proposed by the Fund Management Company, approved by the Board of Representatives and approved by the General Meeting of Investors.

The Fund's distribution of the profits shall comply with the following rules:

- Profits distributed to the Investors are derived from the profits earned in the period or accumulated profits after the Fund has fulfilled its tax liabilities and other financial obligations as prescribed by the Laws;
- The rate of profits distributed must be conformable with the Fund's profit distribution policy specified in the Fund Charter and approved by the General Meeting of Investors;
- After profits are distributed, the Fund is still able to fully pay its debts and other liabilities when they are due, and the Fund's Net Asset Value shall not be lower than VND fifty (50) billion; and
- If profits are distributed in the Fund units, the Fund must have sufficient counterpart funds from its undistributed after-tax profits according to the latest audited or reviewed financial statements.

The Fund dividends may be paid in cash or in the Fund units. The distribution of profits in Fund Units must be approved by the General Meeting of Investors in advance or the Fund's Board of Representatives (if the latest General Meeting of Investors has authorized to the Fund's Board of Representatives). Only the Investors named on the list of Investors holding the Fund Unit at the recorded date will receive dividends from the Fund.

The Fund Management Company must deduct all taxes, fees and charges in accordance with the law before distributing profits to the Investors.

The Fund Management Company is allowed to distribute the Fund's assets to the Investors more than the realized profit, but must ensure that the Fund's Net Asset Value after implementation is not lower than VND fifty (50) billion. The plan, implementation roadmap, size of assets to be distributed, capital for implementation must be approved by the General Meeting of Investors.

1.11 Net profits attributed per fund unit as of reporting date

The Fund has not distributed its profits to fund unitholders.

2 PERFORMANCE RESULTS

2.1. Asset allocation

	As at		
	31.12.2021	31.12.2020	31.12.2019
	%	%	%
1. Securities portfolio	91.92	96.17	91.41
2. Cash and cash equivalents	7.60	2.99	8.17
3. Other assets	0.48	0.84	0.42
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

DFVN CAPITAL APPRECIATION FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

2 PERFORMANCE RESULTS (continued)

2.2 Performance indicators

	As at		
	31.12.2021	31.12.2020	31.12.2019
1. NAV of the Fund (VND)	155,356,470,595	102,601,036,261	80,870,153,926
2. Number of fund units outstanding (units)	9,459,789.45	8,125,094.24	7,747,580.49
3. Net asset value per fund unit (VND)	16,422.82	12,627.67	10,438.11
4. NAV per fund unit – highest during the year (VND)	16,605.09	12,627.67	11,121.66
5. NAV per fund unit – lowest during the year (VND)	11,909.83	7,497.48	9,991.19
6. Closing price of fund unit at reporting date (VND)	Not applicable	Not applicable	Not applicable
7. Closing price of fund unit at reporting date – highest during the year (VND)	Not applicable	Not applicable	Not applicable
8. Closing price of fund unit at reporting date – lowest during the year (VND)	Not applicable	Not applicable	Not applicable
9. Total growth per fund unit (%)	30.05	20.98	4.38
9.1. Capital growth per fund unit (due to price change) (%)	(3.07)	17.11	2.90
9.2. Income growth per fund unit (calculated using realised income) (%)	21.79	0.38	(0.44)
10. Gross distributed earning per fund unit (VND)	Not applicable	Not applicable	Not applicable
11. Net distributed earning per fund unit (VND)	Not applicable	Not applicable	Not applicable
12. Ex-date of distribution	Not applicable	Not applicable	Not applicable
13. Operation expenses/Average NAV (%)	3.13	3.42	3.47
14. Turnover of investment portfolio (%)	267.95	180.62	192.25

2.3 Growth by years

Period	Growth of NAV per fund unit (%)	Annual growth of NAV per fund unit (%)
1 year	30.05	30.05
3 years	Not applicable	Not applicable
Since inception	64.23	18.00

2.4. Annual growth

Period	31.12.2021	31.12.2020	31.12.2019
Growth per fund unit (%)	<u>30.05</u>	<u>20.98</u>	<u>Not applicable</u>

DFVN CAPITAL APPRECIATION FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

3 MARKET UPDATES

The year of 2021 was a difficulty year of Vietnam economy. By the strongly impact of the epidemic, the economy was almost paralysed because lockdown policy has been applied during 4 months (from June to October) at key economic region in the Southern area such as Ho Chi Minh City, Dong Nai Province, Binh Duong Province. The Covid-19 vaccination campaign has been implemented since the end of Q2/2021 with the goal to quickly repel the pandemic nationwide. Ho Chi Minh City, Dong Nai Province and Binh Duong Province will continue to deploy booster shots (third dose) in early 2022. Thanks to the high rate of vaccine coverage, socio-economic activities have been gradually resumed since the Q4/2021 in these provinces with loosen epidemic preventive measures. Transportation, retail, and food and beverage services have been almost fully re-opened in the end of 2021. Compared to major economies in the world such as the United State, Japan, and Europe, which have all fully re-opened since the beginning of 2021, despite of the high infection rate due to new variants of the Corona virus, Vietnam economy has been re-opened though it was later than them although China who continues to maintain its Zero-Covid policy and there have been still a thorough lockdown in many places. In addition, the global economy has much prescient risks and it will be affected in the next few years. Global trade was negatively impacted due to supply chain disruptions and shortages of important goods such as semi-conductor, gas and oil which are contributing to a surge of commodity prices during several months ended this year. The Omicron variant of Corona virus lurks to threaten the global economy. In China, the high probability of default from real estate market can be a potential risk impacting to the international financial market, together with the power shortage also caused many difficulties for China to growth in short run.

Due to these difficulties, Vietnam Gross Domestic Product ("GDP") managed to obtain a tiny growth by 2.58%, lower than the International Monetary Fund ("IMF")'s forecasted by 3.8%. It was lower than the overall market's expectations, which proved that the impacts of the epidemic in 2021 was very serious and the economic re-open and resume was relatively slow. For foreign trade, the total value of imports/exports in 2021 reached USD668.5 billion, increased by 22.6% over the same period of last year, in which exports reached USD336.25 billion, increased by 19%; imports reached USD332.25 billion, increased by 26.5%. The trade balance of goods estimated a surplus of USD4 billion this year, which was significantly decreased compared to 2020 (of which USD20 billion). Purchasing Managers' Index (PMI) in December 2021 recorded at 52.4, the indicator was above the water market of neutral level (50) for four consecutive months which was in the period that the economy was re-opened. The Foreign Direct Investment ("FDI") accumulated in 2021, partially reflected the economy difficulties which disbursed capital inched up by 1.2%, while registered capital increased 9.2% over the same period; FDI disbursed nearly USD19.7 billion and newly attracted of over USD31.1 billion. Meanwhile, inflation has been controlled quite well, the Government has succeeded in managing the average Consumer Price Index ("CPI") below the target level of 4%, although gas and oil as well as other commodity prices increased sharply, headline CPI increased by 1.84% over the same period of last year.

The Vietnam Stock Market continued actively trading with many prospects for economic recovery in the future. The VN-Index closed at 1,498.2 points as of 31 December 2021, increasing by 35.7% compared to 2020. Preliminary data from the General Statistics Office up to 27 December 2021 showed that the market capitalization reached more than 7.7 million billion dong, higher nearly 35% compared to end of 2020; the average trading value is over VND26.5 trillion per session thanks to the cash flow of domestic retail investors. In 2021, there were up to 1.5 million of securities accounts were opened, in December 2021, there were more than 226,000 accounts opened and it was the tenth month that new accounts reached to over 100,000 accounts.

DFVN CAPITAL APPRECIATION FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

3 MARKET UPDATES (continued)

After implementing nationwide vaccination, Covid-19 pandemic have been well controlled, the economy is expected to recover and grow strongly in 2022. The Government has issued economy development resolutions in 2022, with the target of economic growth from 6% to 6.5%. IMF also forecasted that Vietnam economic grows at 6.6% in 2022. However, domestic potential risks such as inflation, bad debts of the banking system, and other risks from external as analysed above may continue to have negative impacts on the Vietnam economy and they need to be controlled. These difficulties are the challenges to the Government in macro-economic stabilisation, economic growth in 2022.

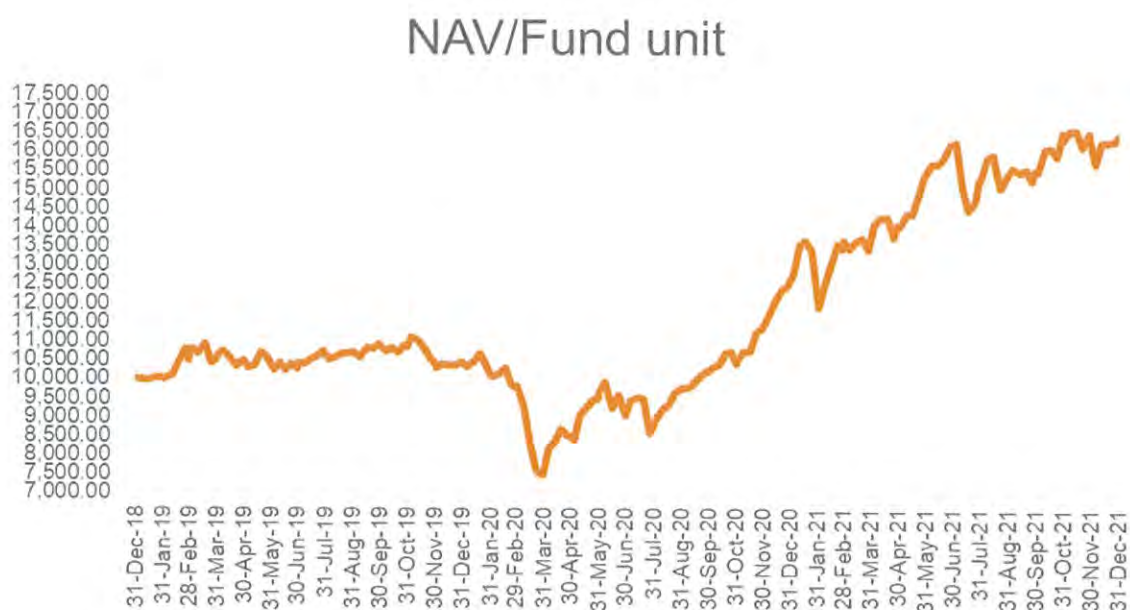
4 DETAILS OF THE FUND'S PERFORMANCE RESULTS

4.1. Details of the Fund's performance indicators

Item	1 year up to reporting date (%)	3 years up to reporting date (%)	From inception to reporting date (%)
Income growth per fund unit	21.79	Not applicable	30.48
Capital growth per fund unit	(3.07)	Not applicable	12.93
Total growth per fund unit	30.05	Not applicable	64.23
Annual growth per fund unit	30.05	Not applicable	18.00
Growth of component portfolio (*)	Not applicable	Not applicable	Not applicable
Price change per fund unit (**)	Not applicable	Not applicable	Not applicable

(*) The Fund does not have component portfolio.

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



DFVN CAPITAL APPRECIATION FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

4 DETAILS OF THE FUND'S PERFORMANCE RESULTS (continued)

4.1. Details of the Fund's performance indicators (continued)

During this period, the Fund's net asset value (NAV) per fund unit and total NAV of the Fund have both increased by 30.5% and 51.42%, respectively compared to 31 December 2020.

4.2. Fund unit holders analysis as at reporting date

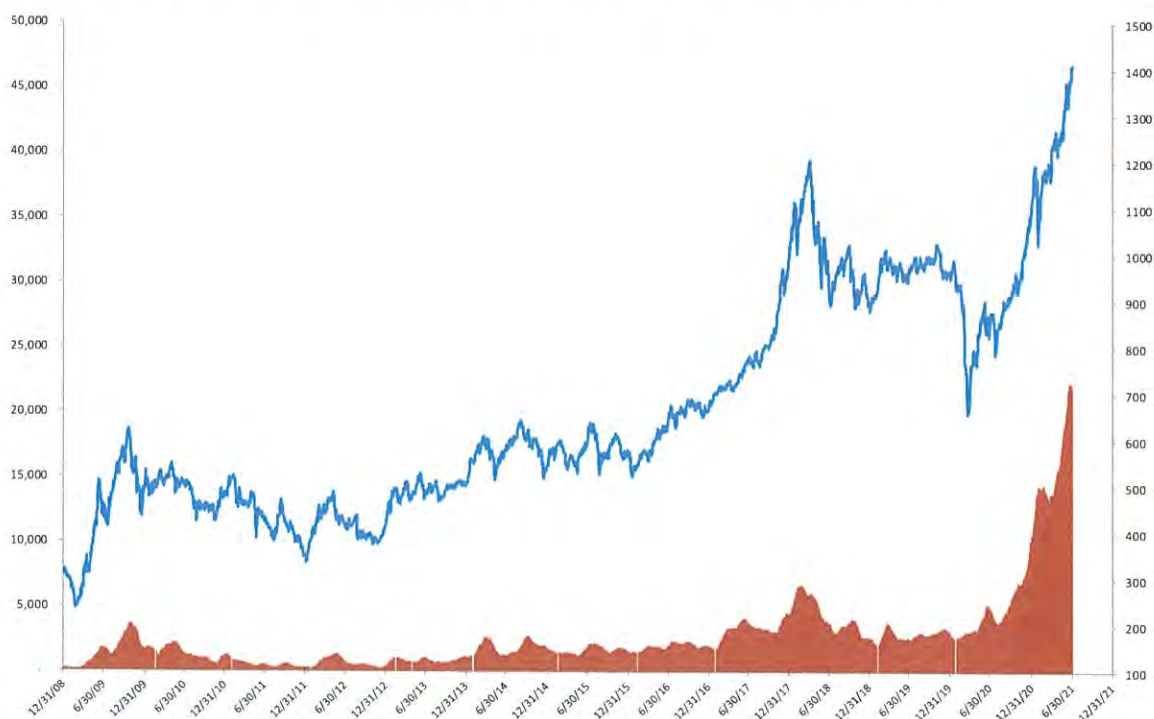
Number of fund units	Number of fund unit holders	Number of fund units	Holding rate (%)
Under 5,000	926	942,027.47	9.96
From 5,000 to lower than 10,000	45	304,467.45	3.22
From 10,000 to lower than 50,000	42	752,978.81	7.96
From 50,000 to lower than 500,000	5	460,315.72	4.87
From 500,000	1	7,000,000.00	74.00
Total	1,019	9,459,789.45	100.00

4.3 Hidden costs and discounts

The Fund did not have hidden cost. All of fund expense are specified in Fund Charter and Prospectus.

5 MARKET PROSPECTS

The chart below is showing the VN-index movement (blue line, refer to axis in the right) and trading value (red column, refer to axis in the left, unit: billion VND/day).



DFVN CAPITAL APPRECIATION FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

5 MARKET PROSPECTS (continued)

Despite of economic difficulties in 2021, the Vietnam Stock Market had a successful year of 2021. The market recorded peaks of points and liquidity in Q4/2021. The stock market information showed that VN-Index closed as at 31 December 2021 with the highest record in the history of 1,498 points, increased by 35.7% compared to 2020. The liquidity of the stock market was maintained as high level, ranking as second in the top in Southeast Asia, only after Thailand with the average trading value of USD1.27 billion per session (information up to 12 December 2021). Technical issue regard to trading system of Ho Chi Minh City Stock Exchange ("HOSE") has been fixed completely, it was robust to the market liquidity and investor psychology. The stock market growth was mainly contributed by the effective operations of listed companies during the first 6 months, such as banking sector, steel industry, fertiliser. During the last 6 months, the market expectations were mainly focused on the recovery of the economy after the pandemic and supportive policies, economy stimulation from the Government in 2022. However, the net short position still happened from foreign investors whose foreign investments participating to Vietnamese market via Exchange Traded Funds ("ETFs") was positive in the first half year of 2021, therefore, market growth driver in 2021 was from local individual investments. In 2022, the market is expected to have more growth drivers such as operating results of companies in the market would be enhanced after operating activities were almost resumed with subsidy package worth of USD350,000 billion has been approved by National Assembly, the stock market upgrading prospects is expected to be uprise in the next few years. Nevertheless, there are lots of difficulties such as labour shortage after the pandemic, higher input prices, safely living with the pandemic, recall export orders, partnerships having intentions of moving out of Vietnam during the lockdown period.

In reality, there are lots of events happening caused negative impacts to the market; however, these short-term impacts would not stop the long term and sustainable development of the economy in general and stock market in particular. Accordingly, after the Covid-19 pandemic, the economy is fully re-opened, the corporates' operation resumed and recovered, many policies from the Government applied, the investors' trust return and the stock market still continues to recover and grow in the long run. From international institutions' perspectives, Vietnam economy would gradually recover and sustainably grow in the next few years since 2022. Some key points to support the growth in long term for Vietnam Stock Market are as follows:

- For a macro-economic environment: Vietnam is evaluated as sustainable development as expressed in terms of GDP growth, credit, interest rates, inflation, exchange rates, FDI attraction... as analysed above. Therefore, Vietnam's economy is entering their period of recovery and development with a new cycle of economic development; and
- For evaluation of stock market: there are cheaper pricing and more attractive returns than regional markets (PER is low while ROE, ROA are high). This has been partially demonstrated by the strong growth of the stock market reflected in the indexes such as the strong net buying value of foreign investors in listed shares.

DFVN CAPITAL APPRECIATION FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

5 MARKET PROSPECTS (continued)

In addition, there are events, catalyst factors to create growth momentum for the stock market such as: (i) the room for foreign investors; (ii) promote equitization and listing State own enterprises. Promoting public investing disbursement for the period of 2022-2023 with subsidy packages to the economy which are expected to be approved by the National Assembly in 2022 ; (iii) prospects for upgrading the Vietnam securities market (FTSE Russel and MSCI Emerging Market); (iv) actively promote the Free Trade Agreements (FTAs); (v) capital mobilized into equity market via new products such as index funds, future contract, options, and new securities law valid since January 2021. Besides, the potential risks regarding Covid-19 next waves causing to global economic development, and potential risks regarding inflation and asset bubble due to easing policies to support economic growth post Covid-19, nonperforming loan hidden in the banking system, increase of bond default cases in China early 2021, trade dispute globally, commodities price skyrocketed, etc causing unpredictable changes of foreign direct investment inflows into the Vietnamese stock market.

Therefore, with the basic quantitative factors combined with qualitative factors as analysed above, the Vietnam stock market in the coming time should continue having a brighter scenario along with the period, expected to continue to improve the economy, creating a premise for long-term development in the following years; of course, the bright scenario must be accompanied with assumption of stable macro-economy, pandemic being controlled as well as the economy have been re-opened completely.

6 OTHER INFORMATION

Board of Executive of the Fund Management Company

Mr Tran Chau Danh, Chief Executive Officer cum Chief Investment Officer	Qualification • Bachelor of International Trade, Foreign Trade University Ho Chi Minh city Campus; • Bachelor of Banking, Banking University of Ho Chi Minh city; • Master of Development Economics, Vietnam – Netherlands Project for MA in Development Economics; • CFA Charter-holder; • CMT Charter-holder; • Fund Management License issued by State Securities Commission. Working experience He has around 20 (twenty) years experience in Investment and Fund/ Portfolio Management in Vietnam. He has been exposed to the Vietnam stock market since its inception. Before joining the Company, he worked for Dai-ichi Vietnam Life Insurance Company Ltd. taking the role of Chief Investment Officer, and being in charge of investment activities and ALM since 2011. Before joining Dai-ichi Vietnam Life Insurance Company Ltd., he held senior positions in both local and international Fund Management Companies. Notably, he had been working over 7 (seven) years with the Prudential Vietnam Fund Management Limited Liability Company (renamed as Eastspring Investments Fund Management Limited Liability Company).
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DFVN CAPITAL APPRECIATION FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

6 OTHER INFORMATION (continued)

Board of Executive of the Fund Management Company (continued)

Mr Masafumi Takeshita Corporate Planning and Risk Management Assistant Director	Qualification • Master of Economics, Hitotsubashi University, Japan; • CMA level 2, Securities Analysts Association of Japan (SAAJ). Working experience He has around 10 (ten) years of experience working and researching in the field of finance, insurance and investment in foreign finance market. Prior to joining Dai-ichi Life Vietnam Fund Management Company Limited, he held more than 4 (four) years of experience in the senior position in charged of credit activities at Dai-ichi Life Insurance Japan, one of the leading and reputable insurance companies in Japan, headquartered in Tokyo. He used to work at the division of industry research of Mizuho Bank – Singapore branch.
Mr Dang Vi Thanh Member of Management Executives holding title of Assistant Director, Head of Business Development	Qualification • Bachelor of Commerce Economics, University of Economics Ho Chi Minh city; • Bachelor of English, Open University Ho Chi Minh city; • Certificate of Fellowship, Life Management Institute (FLMI); • Fund Management License issued by State Securities Commission. Working experience He has more than 15 (fifteen) years of finance, insurance and fund management experience including more than 10 (ten) years in management positions at leading fund management companies in Vietnam. Prior to joining Dai-ichi Life Vietnam Fund Management Company Limited, he was the Head of Sales and Marketing at Manulife Vietnam Fund Management Company Limited and then held the position of Sales Manager, Individual customers of VinaCapital Fund Management JSC (formerly known as VinaWealth). He has extensive experience in the open-ended fund market and contributes to the development of the open-ended fund market in Vietnam.

DFVN CAPITAL APPRECIATION FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

6 OTHER INFORMATION (continued)

Fund operating personnel

Mr Dang Nguyen Truong Tai, Investment Assistant Director	Qualification • Bachelor of Economics, University of Economics Ho Chi Minh city; • Master of Science from UQAM Program (University of Quebec at Montreal, Canada); • CFO Certificate issued by PACE and AAFM; • Fund Management License issued by State Securities Commission. Working experience He has about 15 working years in the sector of investment, banking financial, in which about 10 years of holding positions in charge of equity investment in companies as Nhan Viet Fund Management Company, Dai-ichi Life Vietnam Insurance Company Ltd., Dai-ichi Life Vietnam Fund Management Company Ltd.
Ms Tran Thi Anh Tram Operation Senior Manager	Qualification • Bachelor of Law, Ho Chi Minh city University of Law; • Bachelor of Accounting – Audit, Van Lang University; • Fund Management License issued by State Securities Commission. Working experience She has over 14 experience years of finance and investment accounting; including 10 years working in asset management at Dai-ichi Life Vietnam Fund Management Company Ltd and Dai-ichi Life Vietnam Insurance Company Ltd.

Board of Representatives

Mr Do Hung Viet Chairperson	He has more than 20 experience years in managerial positions in field of finance, securities and investment. He was the Chairman of Board Directors of Ho Chi Minh City Securities Corporation (HSC). He held position as Vice Chairman and General Director of Ho Chi Minh City Securities Corporation (HSC). Prior to joining HSC, he spent 4 years working as Fund Manager of HCMC Investment Fund for Urban Development (HIFU).
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DFVN CAPITAL APPRECIATION FUND

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

6 OTHER INFORMATION (continued)

Board of Representatives (continued)

Mr Huynh Van Dung Member	He has more than 20 experience years working in the major of auditing and services in the field of auditing. He is currently Deputy General Director, Director of HCMC Branch of Vietnam Auditing and Evaluation Co., Ltd (VAE). He held as Director of An Viet auditing company and team leader of senior auditors of VACO – Deloitte JV. He has Certificate of CPA Vietnam, member of Vietnam Association of Certified Public Accountants (VACPA), member of Vietnam Association of Accountants and Auditors (VAA) and member of Vietnam Tax Consultants' Association (VTCA).
Mr Nguyen Gia Huy Chuong Member	He has 20 years of experience in corporate consulting, tax and real estate advisory. His work has primarily been in the areas of corporate consultancy, mergers and acquisitions, and spanning most industry sectors: real estate, hospitality, construction, fintech, family health care, food & beverage (F&B), port management, transport and telecommunications. Currently, he is acting as the Managing Partner of GV Lawyers, an international law firm lately established by a group of dedicated and experienced lawyers who have started and advanced their careers with the most prominent law firms in Viet Nam, the latest one in the list being Phuoc & Partners. He has more than 10 consecutive years acting as the director and managing partner of Phuoc & Partners. He has Master of Law majored in International Trade Law in the Bristol Law School – the UWE Bristol, UK; member of the Bar Association of Ho Chi Minh city; member of the Law Association for Asia and the Pacific.

For and on behalf of Dai-ichi Life Vietnam Fund Management Company Limited



Tran Chau Danh
Chief Executive Officer

Ho Chi Minh City, 24 March 2022

REPORT OF THE SUPERVISORY BANK

HSBC Bank (Vietnam) Ltd, appointed as the Supervising Bank of DFVN Capital Appreciation Fund ("DFVN-CAF" or "the Fund") for the year ended 31 December 2021, acknowledge that during period, DFVN-CAF has been operated and managed with the following details:

- a) For the management of DFVN-CAF, Dai-ichi Life Vietnam Fund Management Company Limited ("DFVN") has complied with investment restrictions of DFVN-CAF in accordance with prevailing securities regulatory documents about Open-ended fund, the Fund's Charter, applicable laws and regulations;
- b) Net asset value of DFVN-CAF is determined in line with the Fund's Charter, Prospectus and applicable laws and regulations;
- c) Subscription and redemption of Fund units complied with the Fund's Charter, Prospectus and applicable laws and regulations;
- d) In this period, the Fund did not pay dividend to its investors; and
- e) DFVN complied with loan restrictions, trading restrictions which are stated in prevailing securities regulatory documents about Open-ended fund, Fund's Charter and applicable laws and regulations.



Ho Chi Minh City, 24 March 2022
Representatives of the Supervisory Bank

James Estaugh
Head of Securities Services

Mrs. Le Thi Hoang Chau
Vice President, Investor Services Operations



INDEPENDENT AUDITOR'S REPORT TO THE FUND UNIT HOLDERS OF DFCN CAPITAL APPRECIATION FUND

We have audited the accompanying financial statements of DFCN Capital Appreciation Fund ("the Fund") which were prepared on 31 December 2021 and approved by the Board of Representatives on 24 March 2021. The financial statements comprise the statement of income, the statement of changes in net asset value, subscriptions and redemptions of fund units, and the statement of cash flows for the year ended 31 December 2021, the statement of financial position and the statement of investment portfolio as at 31 December 2021, and explanatory notes to the financial statements including significant accounting policies, as set out on pages 19 to 58.

Responsibility of the Board of Executives of Dai-ichi Life Vietnam Fund Management Company Limited ("the Fund Management Company")

The Board of Executives of the Fund Management Company is responsible for the preparation and the true and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to open-ended investment funds including Circular 198/2012/TT-BTC issued by the Ministry of Finance on 15 November 2012 on the promulgation of accounting system for open-ended investment funds ("Circular 198/2012/TT-BTC"), Circular 181/2015/TT-BTC issued by the Ministry of Finance on 13 November 2015 on the promulgation of accounting system for exchange-traded funds ("Circular 181/2015/TT-BTC"), Circular 98/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020 on providing guidance on operation and management of securities investment fund ("Circular 98/2020/TT-BTC") and prevailing regulations on preparation and presentation of financial statements applicable to open-ended investment funds and for such internal control which the Board of Executives determines as necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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



Auditor's Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position and the statement of investment portfolio of the Fund as at 31 December 2021, and the results of its operations, changes in net asset value, subscriptions and redemptions of fund units and cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to open-ended funds comprising Circular 198/2012/TT-BTC, Circular 181/2015/TT-BTC, Circular 98/2020/TT-BTC and prevailing regulations on preparation and presentation of financial statements applicable to open-ended investment funds.

Other Matters

The financial statements of the Fund for the year ended 31 December 2020 were audited by another auditor who expressed an unmodified opinion on 25 March 2021.

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

For and on behalf of PwC (Vietnam) Limited



Trần Thị Thanh Trúc
Audit Practising Licence No.
3047-2019-006-1
Authorised signatory

Doan Tran Phuong Thao
Audit Practising Licence No.
4701-2019-006-1

Report reference number: HCM11706
Ho Chi Minh City, 24 March 2022

STATEMENT OF INCOME

Code	Items	Note	For the year ended 31 December	
			2021 VND	2020 VND
01	I. INVESTMENT PROFIT AND OPERATING INCOME		36,987,568,059	20,796,822,396
02	1.1. Dividend income	5.1	1,749,523,140	1,782,246,298
04	1.3. Realised gains from trading securities	5.2	40,559,572,673	1,273,740,445
05	1.4. Unrealised (losses)/gains from revaluation of investments	5.3	(5,382,420,223)	17,728,961,905
06	1.5. Other operating income		60,892,469	11,873,748
10	II. INVESTMENT EXPENSES		(983,010,150)	(408,101,011)
11	2.1. Transaction costs from purchases and sales of investments	5.4	(983,010,150)	(408,101,011)
20	III. OPERATING EXPENSES		(3,134,771,518)	(2,261,900,131)
20.1	3.1. Fund management fee	8(a)(i)	(1,974,576,589)	(1,178,295,665)
20.2	3.2. Custodian fees	5.5	(396,639,879)	(338,312,716)
20.3	3.3. Supervising fee	8(a)(ii)	(92,399,999)	(92,400,000)
20.4	3.4. Fund administration fee	8(a)(ii)	(145,200,007)	(145,200,006)
20.5	3.5. Transfer agency fee	8(a)(ii)	(192,606,644)	(177,083,044)
20.8	3.8. Audit fee		(152,200,000)	(149,600,000)
20.10	3.10. Other operating expenses	5.6	(181,148,400)	(181,008,700)
23	IV. PROFIT FROM INVESTMENT ACTIVITIES		32,869,786,391	18,126,821,254

The notes on pages 28 to 58 are an integral part of these financial statements.

DFVN CAPITAL APPRECIATION FUND

Form B 01 – QM

STATEMENT OF INCOME
(continued)

Code	Items	Note	For the year ended 31 December	
			2021 VND	2020 VND
24	V. NET OTHER INCOME AND EXPENSES		-	-
30	VI. PROFIT BEFORE BUSINESS INCOME TAX		<u>32,869,786,391</u>	<u>18,126,821,254</u>
31	6.1. Realised profit	6.9	38,252,206,614	397,859,349
32	6.2. Unrealised (loss)/profit	6.9	(5,382,420,223)	17,728,961,905
40	VII. BUSINESS INCOME TAX ("BIT")		-	-
41	VIII. PROFIT AFTER TAX		<u>32,869,786,391</u>	<u>18,126,821,254</u>



Dai-ichi Life Vietnam Fund Management
Company Limited
Tran Chau Danh
Chief Executive Officer

24 March 2022

Dai-ichi Life Vietnam Fund Management
Company Limited
Ho Thi Mai Phuong
Operation Officer

Dai-ichi Life Vietnam Fund Management
Company Limited
Tran Thi Anh Tram
Operation Senior Manager
Fund Administration Operations

The notes on pages 28 to 58 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

Code	Items	Note	As at	
			31.12.2021 VND	31.12.2020 VND
100	I. ASSETS			
110	1. Cash at bank and cash equivalents	6.1	12,033,839,111	3,122,878,226
	In which:			
111	1.1. Cash at bank for Fund's operations		12,033,839,111	3,122,878,226
120	2. Net investments	6.2	145,383,405,800	100,366,421,350
121	2.1. Investments		145,383,405,800	100,366,421,350
130	3. Receivables		751,470,000	877,464,275
131	3.1. Receivables from investments sold but not yet settled	6.3	403,394,000	656,164,275
133	3.2. Dividend receivables		348,076,000	221,300,000
136	3.2.2 Dividend receivables not yet due		348,076,000	221,300,000
100	TOTAL ASSETS		158,168,714,911	104,366,763,851
300	II. LIABILITIES			
312	2. Payables for investments purchased but not yet settled	6.4	2,343,610,150	432,147,250
313	3. Payables to distributors and Fund Management Company		-	88,000
314	4. Tax payables and obligations to the State		1,658,032	646,848
316	6. Accrued expenses	6.5	125,000,000	138,500,000
317	7. Subscription payables to fund unit holders	6.6	81,000,000	772,200,000
318	8. Redemption payables to fund unit holders	6.6	-	236,580,656
319	9. Fund related service fees payables	6.7	260,976,134	185,564,836
300	TOTAL LIABILITIES		2,812,244,316	1,765,727,590

The notes on pages 28 to 58 are an integral part of these financial statements.

DFVN CAPITAL APPRECIATION FUND

Form B 02 – QM

STATEMENT OF FINANCIAL POSITION
(continued)

Code	Items	Note	As at	
			31.12.2021 VND	31.12.2020 VND
400	III. NET ASSET VALUE DISTRIBUTABLE TO FUND UNIT HOLDERS	6.8	155,356,470,595	102,601,036,261
411	1. Share capital		94,597,894,500	81,250,942,400
412	1.1. Subscription capital		102,812,899,400	85,243,468,800
413	1.2. Redemption capital		(8,215,004,900)	(3,992,526,400)
414	2. Share premium/(discount)		6,528,403,246	(10,292,597)
420	3. Undistributed profits	6.8	54,230,172,849	21,360,386,458
430	IV. NET ASSET VALUE PER FUND UNIT	6.8	16,422.82	12,627.67
440	V. PROFIT DISTRIBUTED TO UNIT HOLDERS		-	-
VI. OFF-BALANCE SHEET ITEM				
004	4. Number of outstanding fund units	6.8	9,459,789.45	8,125,094.24



Dai-ichi Life Vietnam Fund Management
Company Limited
Tran Chau Danh
Chief Executive Officer

24 March 2022

Dai-ichi Life Vietnam Fund Management
Company Limited
Ho Thi Mai Phuong
Operation Officer

Dai-ichi Life Vietnam Fund Management
Company Limited
Tran Thi Anh Tram
Operation Senior Manager
Fund Administration Operations

The notes on pages 28 to 58 are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSET VALUE,
SUBSCRIPTIONS AND REDEMPTIONS OF FUND UNITS
FOR THE YEAR ENDED 31 DECEMBER 2021

No.	Items	For the year ended 31 December	
		2021 VND	2020 VND
I	Net Asset Value (“NAV”) at the beginning of the year	102,601,036,261	80,870,153,926
II	Changes in NAV for the year <i>In which:</i>	32,869,786,391	18,126,821,254
II.1	Changes in NAV due to market movements and the Fund's operations	32,869,786,391	18,126,821,254
III	Changes in NAV due to subscriptions, and redemptions of fund units <i>In which:</i>	19,885,647,943	3,604,061,081
III.1	Receipts from subscriptions	26,452,648,765	5,492,990,350
III.2	Payments for redemptions	(6,567,000,822)	(1,888,929,269)
IV	NAV at the end of the year	155,356,470,595	102,601,036,261
V	NAV per fund unit at the end of year	16,422.82	12,627.67



Dai-ichi Life Vietnam Fund Management
Company Limited
Tran Chau Danh
Chief Executive Officer

24 March 2022

Dai-ichi Life Vietnam Fund Management
Company Limited
Ho Thi Mai Phuong
Operation Officer

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Company Limited
Tran Thi Anh Tram
Operation Senior Manager
Fund Administration Operations

STATEMENT OF INVESTMENT PORTFOLIO
AS AT 31 DECEMBER 2021

No.	Items	Quantity	Market price as at 31.12.2021 VND	Total value as at 31.12.2021 VND	Percentage of total assets %
I	Listed shares				
1	VHM	120,000	82,000	9,840,000,000	6.22
2	MSN	49,000	171,000	8,379,000,000	5.30
3	VIC	73,499	95,100	6,989,754,900	4.42
4	VCB	79,080	78,800	6,231,504,000	3.94
5	GVR	157,000	36,950	5,801,150,000	3.67
6	ACB	159,050	34,500	5,487,225,000	3.47
7	HPG	117,050	46,400	5,431,120,000	3.43
8	FPT	58,000	93,000	5,394,000,000	3.41
9	GAS	52,000	96,200	5,002,400,000	3.16
10	VPB	137,397	35,800	4,918,812,600	3.11
11	TCB	94,000	50,000	4,700,000,000	2.97
12	NVL	49,439	91,000	4,498,949,000	2.84
13	CTG	130,095	33,900	4,410,220,500	2.79
14	BID	110,755	37,100	4,109,010,500	2.60
15	MWG	29,000	135,900	3,941,100,000	2.49
16	GMD	80,000	47,300	3,784,000,000	2.39
17	MBB	127,345	28,900	3,680,270,500	2.33
18	TPB	85,626	41,050	3,514,947,300	2.22
19	STB	107,000	31,500	3,370,500,000	2.13
20	PDR	32,000	95,200	3,046,400,000	1.93
21	REE	43,000	69,100	2,971,300,000	1.88
22	VNM	34,000	86,400	2,937,600,000	1.86
23	POW	152,000	17,500	2,660,000,000	1.68
24	SSI	45,099	51,800	2,336,128,200	1.48
25	PLX	34,000	53,900	1,832,600,000	1.16
26	MSB	60,400	29,000	1,751,600,000	1.11
27	NLG	25,606	64,200	1,643,905,200	1.04
28	KDH	32,055	51,000	1,634,805,000	1.03
29	HDB	52,086	30,850	1,606,853,100	1.02
30	DRC	49,000	32,650	1,599,850,000	1.01
31	PHR	22,000	71,300	1,568,600,000	0.99
32	HCM	34,000	45,500	1,547,000,000	0.98
33	SAB	10,000	151,000	1,510,000,000	0.95
34	VRE	50,000	30,100	1,505,000,000	0.95
35	LPB	62,000	22,300	1,382,600,000	0.87
36	VIB	28,000	47,300	1,324,400,000	0.84
37	KBC	16,000	60,800	972,800,000	0.62
38	PVT	39,000	24,100	939,900,000	0.59
39	PC1	23,000	39,350	905,050,000	0.57
40	VJC	7,000	128,300	898,100,000	0.57
41	PVS	30,000	27,300	819,000,000	0.52
42	GEX	20,000	40,650	813,000,000	0.51
43	DCM	22,000	36,700	807,400,000	0.51
44	DPM	16,000	50,000	800,000,000	0.51
45	HDG	12,000	66,500	798,000,000	0.50
46	TDM	22,000	35,000	770,000,000	0.49

The notes on pages 28 to 58 are an integral part of these financial statements.

STATEMENT OF INVESTMENT PORTFOLIO
AS AT 31 DECEMBER 2021
 (continued)

No.	Items	Quantity	Market price as at 31.12.2021 VND	Total value as at 31.12.2021 VND	Percentage of total assets %
I	Listed shares (continued)				
47	DXG	21,050	35,000	736,750,000	0.47
48	VCI	10,000	72,800	728,000,000	0.46
49	DHC	8,000	89,000	712,000,000	0.45
50	SBT	20,000	25,900	518,000,000	0.33
51	HNG	35,000	12,250	428,750,000	0.27
52	KDC	7,700	54,000	415,800,000	0.26
53	BWE	9,500	42,900	407,550,000	0.26
54	PNJ	3,500	96,200	336,700,000	0.21
55	VCS	2,000	117,000	234,000,000	0.15
				145,383,405,800	91.92
VI	Other assets				
1	Receivables from investments sold but not yet settled			403,394,000	0.26
2	Net dividend receivables			348,076,000	0.22
				751,470,000	0.48
VII	Cash				
1	Cash at bank			12,033,839,111	7.60
				12,033,839,111	7.60
VIII	Total value of portfolio			158,168,714,911	100.00



Dai-ichi Life Vietnam Fund Management
 Company Limited
Tran Chau Danh
 Chief Executive Officer

24 March 2022


 Dai-ichi Life Vietnam Fund Management
 Company Limited
Ho Thi Mai Phuong
 Operation Officer


 Dai-ichi Life Vietnam Fund Management
 Company Limited
Tran Thi Anh Tram
 Operation Senior Manager
 Fund Administration Operations

STATEMENT OF CASH FLOWS
(Indirect method)

Code	Items	Note	For the year ended 31 December	
			2021 VND	2020 VND
	I. Cash flows from investing activities			
01	1. Profit before tax		32,869,786,391	18,126,821,254
02	2. Adjustments for:			
03	Unrealised losses/(gains) from revaluation of investments	5.3	5,382,420,223	(17,728,961,905)
04	(Decrease)/increase in accrued expenses		(13,500,000)	5,500,000
05	3. Profit from investing activities before changes in working capital		38,238,706,614	403,359,349
20	Increase in investments		(50,399,404,673)	(5,174,846,945)
06	Decrease/(increase) in receivables from investments sold but not yet settled		252,770,275	(475,136,225)
07	Increase in dividend and interest receivables		(126,776,000)	(44,000,000)
10	Increase/(decrease) in payables for investments purchased but not yet settled		1,911,462,900	(3,139,101,600)
11	(Decrease)/increase in subscription and redemption fee payable to distributors and Fund Management Company		(88,000)	8,000
13	Increase in tax payables and obligations to the State		1,011,184	481,904
14	(Decrease)/increase in subscriptions payable to fund unit holders		(691,200,000)	771,200,000
15	(Decrease)/increase in redemptions payable to fund unit holders		(236,580,656)	231,403,933
17	Decrease in fees payable to related service providers		75,411,298	21,085,743
19	Net cash outflow for investing activities		(10,974,687,058)	(7,405,545,841)
	II. Cash flow from financing activities			
31	1. Receipts from subscriptions	6.8	26,452,648,765	5,492,990,350
32	2. Payments for redemptions	6.8	(6,567,000,822)	(1,888,929,269)
30	Net cash inflow from financing activities		19,885,647,943	3,604,061,081
40	III. Net increase/(decrease) in cash in the year		8,910,960,885	(3,801,484,760)

The notes on pages 28 to 58 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS
(Indirect method)
(continued)

Code	Items	Note	For the year ended 31 December	
			2021 VND	2020 VND
50	IV. Cash and cash equivalents at the beginning of the year	6.1	3,122,878,226	6,924,362,986
52	Cash at bank for the Fund's operations		2,350,678,226	6,923,362,986
53	Cash at bank for subscriptions		772,200,000	1,000,000
55	V. Cash and cash equivalents at the end of the year	6.1	12,033,839,111	3,122,878,226
57	Cash at bank for the Fund's operations		11,952,839,111	2,350,678,226
58	Cash at bank for subscriptions		81,000,000	772,200,000
60	VI. Changes in cash and cash equivalents in the year		8,910,960,885	(3,801,484,760)



Dai-ichi Life Vietnam Fund Management
Company Limited
Tran Chau Danh
Chief Executive Officer

24 March 2022

Dai-ichi Life Vietnam Fund Management
Company Limited
Ho Thi Mai Phuong
Operation Officer

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Company Limited
Tran Thi Anh Tram
Operation Senior Manager
Fund Administration Operations

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1 GENERAL INFORMATION OF DFVN CAPITAL APPRECIATION FUND

1.1 Licence for Fund unit Public Offering and Registration Certificate for Open-ended fund establishment

DFVN Capital Appreciation Fund ("the Fund") was established as a public open-ended fund under Establishment Registration Certificate No. 34/GCN-UBCK ("the ERC") issued by the State Securities Commission ("the SSC") on 3 January 2019. The charter capital of the Fund as stipulated in the ERC is VND75,121,600,000, equivalent to 7,512,160 fund units. The Fund operates in compliance with the Fund Charter issued on 3 January 2019 and its latest amendment on 22 April 2021. The Fund has an indefinite life.

The fund units were issued to the public for the first time pursuant to Initial Public Offering Certificate No. 56/GCN-UBCK issued by the SSC on 16 October 2018. According to this certificate, the minimum charter capital of the Fund of VND50,000,000,000 from the public with a par value of VND10,000 per fund unit.

The fund units are issued and redeemed through distributors.

The Fund has no employees and is managed by Dai-ichi Life Vietnam Fund Management Company Limited (the "Fund Management Company"). HSBC Bank (Vietnam) Limited has been appointed as the supervising bank and custodian bank of the Fund.

1.2 General information of the Fund's operations

Size of the Fund

Pursuant to the Fund's establishment registration certificate, the Fund's charter capital is VND75,121,600,000.

The Fund's capital is based on the actual contribution of the fund unit holders presented in Note 6.8.

Investment objective

The investment objective of the Fund is to provide the Investors with asset and capital appreciation and aim to outperform the Vietnam stock market (VN-Index) as benchmark in the long term by investing mainly in a diversified portfolio of listed equities on Vietnam securities market.

Frequency of net asset value valuation

The Fund's NAV is determined on a weekly and a monthly basis. The weekly valuation date is the Tuesday. In case where the weekly valuation date falls on holidays of the Vietnam stock market, or the trading suspension date at the stock exchange under any decision of the Government Authorities (it depends on the Fund Management Company's discretion), the weekly valuation date is the business working Tuesday in the following week. The monthly valuation date is the first day of the following month. Should the Fund Management Company change the valuation date, the Fund Management Company must obtain approval from the Board of Representatives (the "BOR") before making any changes.

Method of net asset value valuation

The Fund's net asset value is calculated at total assets less its liabilities as at the valuation date. Total value of Fund's assets is measured at their market value or fair value (in case where market value is not available). Total liabilities are debts and payment obligations of the Fund as at the date prior to the valuation date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

1 GENERAL INFORMATION OF DFVN CAPITAL APPRECIATION FUND (continued)

1.2 General information of the Fund's operations (continued)

Method of net asset value valuation (continued)

NAV per fund unit is calculated by dividing the total net asset value of the Fund by the number of outstanding units at the date prior to the valuation date.

NAV per fund unit shall be rounded to two (2) decimal places.

Valuation methodology for NAV calculation

NAV calculation methodology is regulated in accordance with the methodology in the Valuation manual regulated in the Fund's Charter and Circular 98/2020 issued by the Ministry of Finance. Details are as follows:

No	Type of investment assets	Valuation methodology
Cash and cash equivalent, money market instruments		
1	Cash (VND)	Cash balance on the date prior to the valuation date
2	Foreign currencies	Value of the amounts in foreign currencies converted into VND on the date prior to the valuation date at the prevailing exchange rates applied by credit institutions permitted to trade foreign currencies.
3	Deposits with fixed terms	Value of the deposits plus outstanding interest accrued thereon calculated up to the date before the valuation date.
4	Treasury bills, bank notes, bills of exchange, transferable certificates of deposit, bonds and discounted money market instruments	Purchase price plus accumulative interest calculated up to the day preceding the valuation date.
5	Non-interest financial instruments including bills, bonds, valuable papers and other non-interest financial instruments	The listed price in the stock exchange; in case where there is no available listed price, the price is determined as the discounted cash flow of the historical cost on winning bidding interest rate or other interest rate approved by the BOR and holding period of the financial instruments.
Bonds		
6	Listed bonds	- Average of quoted price (or other similar terms upon stock exchanges' rules) of the latest trading date prior to the valuation date plus accumulative interest (if the listed price excluding accumulative interest). - In case where there is no trading transaction over fifteen (15) days up to the valuation date, the bond price is determined at: - Purchased price plus accumulative interest; or - Par value plus accumulative interest; or - Valuation methodology approved by the BoR. - The fair value of the bond using appropriate valuation technique as detail in the Valuation Manual that approved by the BoR.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

1 GENERAL INFORMATION OF DFVN CAPITAL APPRECIATION FUND (continued)

1.2 General information of the Fund's operations (continued)

Valuation methodology for NAV calculation (continued)

No	Type of investment assets	Valuation methodology
Bonds (continued)		
7	Unlisted bonds	- Quoted price (clean price) on quotation systems on the latest trading day prior to the valuation date, plus accrued interest; or - Purchased price plus accumulative interest; or - Par value plus accumulative interest; or - Valuation methodology approved by the BoR. - The fair value of the bond using appropriate valuation technique as detail in the Valuation Manual that approved by the BoR.
Shares		
8	Listed shares on the stock exchange The registered shares of public interest entities on the UpCom	- The market price is the closing price (or other similar terms upon the stock exchange's rules) of the most recent trading date prior to the valuation date; - In case where there is no trading transaction over fifteen (15) days up to the valuation date, the share price is determined as following: - Book value; or - Purchased price; or - Valuation methodology approved by the BoR.
9	Shares which are suspended from trading, delisted or deregistered for trading:	- The share price is determined as following: - Book value; or - Par value; or - Valuation methodology approved by the BoR.
10	Shares of organizations that are in dissolution or bankruptcy	- The share price is determined as following: - 80% of liquidating value on the most recent available Balance Sheet prior to valuation date; or - Valuation methodology approved by the BoR.
11	Stocks and other contributed capital	- The market price is the average price of successful trading transactions at the most recent trading date prior to the valuation date from the securities pricing service providers. - In case of no quoted prices from securities pricing service providers, the price is determined as following: - Book value; or - Purchased price/ the value of contributed capital; or - Valuation methodology approved by the BoR.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

1 GENERAL INFORMATION OF DFVN CAPITAL APPRECIATION FUND (continued)

1.2 General information of the Fund's operations (continued)

Valuation methodology for NAV calculation (continued)

No	Type of investment assets	Valuation methodology
Derivatives		
12	Listed derivatives	The closing price (or other similar terms of the stock exchange's rules) at the most recent trading date prior to the valuation date.
13	Listed derivatives with no transactions over fifteen (15) days up to the valuation date	The price is determined as the approved valuation methodology by the BoR.
Other investment assets		
14	Other investment assets	The average price of successful transactions at the most recent trading date prior to the valuation date from securities pricing service providers. In case there is no available quoted price, the price is determined as the approved valuation methodology by the BoR.

Frequency of subscriptions and redemptions of fund units

The fund units are subscribed and redeemed once a week on every Tuesday. The increase in frequency of trading fund units shall be publicly announced, updated in the Fund's Prospectus, Investors' General Meeting and amended in the Fund's Charter, notified to Supervising Bank and on the public media as regulatory requirements. The decrease in frequency of trading fund units shall be approved by the Investors' General Meeting and not fewer than twice a month.

In case where the fund unit trading date falls on holidays of the Vietnam stock market, or the trading suspension date at the stock exchange under any decision of the Government Authorities (it depends on the Fund Management Company's discretion), the weekly valuation date is the business working Tuesday in the following week.

Distribution of earnings

The Fund distributes its profit in accordance with the Fund's Charter.

Investment restrictions

The Fund's investment portfolio and its restrictions must comply with the investment objectives and investment policies as stipulated in the Fund Charter and the Fund's Prospectus.

The Fund's investments must comply with the following regulations:

- a) Investment portfolio of the Fund must comprise securities of at least six (6) issuers;
- b) Except for the Fund's current accounts at the Supervising Bank, the Fund does not invest more than forty nine percent (49%) of the Fund's total assets in deposit at commercial banks stipulated by prevailing Laws, foreign currencies, money market instruments including valuable papers and transferable instruments following prevailing legislation;

**NOTES TO THE FINANCIAL STATEMENTS
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(continued)**

1 GENERAL INFORMATION OF DFVN CAPITAL APPRECIATION FUND (continued)

1.2 General information of the Fund's operations (continued)

Investment restrictions (continued)

- c) The Fund does not invest more than twenty percent (20%) of the Fund's total assets in outstanding securities of a single issuer, term deposits at commercial bank stipulated by prevailing Laws, money market instruments including valuable papers and transferable instruments following prevailing legislation, except for government debt instruments;
- d) The Fund does not invest more than thirty percent (30%) of the Fund's total assets in deposits at commercial banks stipulated by prevailing banking Laws; money market instruments including valuable papers and transferable instruments following prevailing legislation; listed shares, registered shares for trading, listed bonds in the stock exchange; open-ended fund units, initial public offering shares; public offering bonds; corporate bonds issued privately by the listed organisations who are guaranteed by credit institutions or commitment to repurchase from the issuer at least one (01) time in twelve (12) months and each time commits to repurchase at least thirty percent (30%) of the value of the issuance; derivatives on the stock exchange and only for the purpose of risk preserving for underlying securities and options that the Fund is holding, issued by the companies or a group of related companies: parent and subsidiary companies, companies holding over thirty percent (30%) of shares and capital contributions; group of subsidiaries under the same parent company, in which derivative investment is the contractual value as defined in Appendix No 14 together issued with Circular 98/2020/TT-BTC;
- e) The Fund does not invest in more than ten percent (10%) of the total value of outstanding securities of an issuer, except for government bonds;
- f) The Fund does not invest more than ten percent (10%) of the Fund's total assets in shares offered for the initial public offering, bonds offered to the public; corporate bonds privately issued by the listed organisations who are guaranteed by credit institutions or commitment to repurchase from the issuer at least one (01) time in twelve (12) months and each time commits to repurchase at least thirty percent (30%) of the value of the issuance;
- g) Total value of large investments in the investment portfolio of the Fund must not exceed forty percent (40%) of the Fund's total assets. In which, major investments of the Fund are: money market instruments including valuable papers and other transferable instruments following prevailing legislation; listed shares, registered shares, listed bonds on the stock exchange, open-ended fund units, initial public offering shares; public offering bonds; corporate bonds issued by the listed organisations who are guaranteed by credit institutions or commitment to repurchase from the issuer at least one (01) time in twelve (12) months and each time commits to repurchase at least thirty percent (30%) of the value of the issuance and underlying securities options that the Fund is holding (except for certificates of deposit) issued by the same organisation, with the proportion of over five percent (5%) of total Fund's assets;
- h) At any time, total commitment value of securities derivatives transactions, borrowings and payables of the Fund must not exceed NAV of the Fund;
- i) The Fund is not allowed to invest in its own units, securities investment funds, shares of public interest securities companies established and operating by the Fund Management Company;

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

1 GENERAL INFORMATION OF DFVN CAPITAL APPRECIATION FUND (continued)

1.2 General information of the Fund's operations (continued)

Investment restrictions (continued)

- j) The Fund is only allowed to invest in other open-ended funds' units, shares of public interest securities companies established and operating by the other fund management company and ensure the restrictions as follows:
 - The Fund does not invest in more than ten percent (10%) total available fund units of an open-ended fund and available shares of a public interest securities company;
 - The Fund does not invest more than twenty percent (20%) total Fund's assets into an open-ended fund and shares of a public interest securities company;
 - The Fund does not invest more than thirty percent (30%) total Fund's assets into open-ended funds and shares of public interest securities companies; or
- k) The Fund is not allowed to invest in real estate, valuable stone, valuable metals.

Except as stated in points (b), (c), (d), (e), (f), (g) and (j) as above, the Fund's investment structure is allowed to deviate only for the following reasons:

- i) Fluctuations in the market value of the assets in the Fund's investment portfolio;
- ii) Making payments of the Fund legally in accordance with the law, including the execution of trading orders of investors;
- iii) Splitting, merging, consolidation, and acquisition of issuing organisation;
- iv) New fund licensed for establishment or fund split, consolidation, merging with operating duration not exceeding six (06) months, from the date of the Fund's Establishment Registration Certificate; amendment of registration certificate for fund's establishment; or
- v) The Fund is in liquidation process.

The Fund Management Company has the obligation to notify the SSC, public and amend investment portfolio which satisfies the investment restrictions of the Fund's Charter within three (3) months, from the date that the incompliance with point (a), (b), (c) and (d) above occurs.

In case where the incompliance is from the Fund Management Company, the Fund Management Company has a responsibility to amend the investment portfolio within fifteen (15) days, from the incompliant event date. The Fund Management Company has to compensate to the Fund for any lost (if any) and bears any expenses relating to investment portfolio amendment. If there is any profit, it must be recognised immediately.

Within five (5) business working date from the date that the investment portfolio amendment is completed, the Fund Management Company has to announce the information as regulatory requirements, notify to the SSC for the amendment, the reason, event date, lost occurs, compensations to the Fund (if any) or any profit earned (if any), remedial actions, timeline and remedial results.

The Fund Management Company is only allowed to invest in term deposits at commercial banks stipulated by prevailing banking regulations; money market instruments including valuable papers and other transferable instruments following prevailing legislation; at credit institutions approved by the Board of Representatives.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

2 FISCAL YEAR AND CURRENCY

2.1 Fiscal year

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

2.2 Currency

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

The Fund's accounting currency is determined as the currency primarily used in securities trading which significant influences transacted prices and settled amounts. In addition, the Fund's financing activities such as subscriptions and redemptions of fund units are also denominated in its accounting currency.

3 ACCOUNTING STANDARDS AND REPORTING FRAMEWORK APPLIED

3.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, Vietnamese accounting system applicable to open-ended investment funds including Circular 198/2012/TT-BTC issued by the Ministry of Finance on 15 November 2012 on the promulgation of accounting system for open-ended investment funds ("Circular 198/2012/TT-BTC"), Circular 181/2015/TT-BTC issued by the Ministry of Finance on 13 November 2015 on the promulgation of accounting system for exchange-traded funds ("Circular 181/2015/TT-BTC"), Circular 98/2020/TT-BTC issued by Ministry of Finance on 16 November 2020 on providing guidance on operation and management of securities investment fund ("Circular 98/2020/TT-BTC") and prevailing regulations on preparation and presentation of financial statements applicable to open-ended investment funds.

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

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

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

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

3.2 Registered accounting documentation system

The registered accounting documentation system is the General Journal system.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank in current accounts used for the Fund's operations

4.2 Investments

Classification

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

Recognition/de-recognition

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

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

Initial recognition and subsequent measurement

Investments are initially recognised at the cost of acquisition (excluding expenses associated with the acquisition such as brokerage fee, transaction fee and bank charge) and revalued as at the reporting date in accordance with Circular 198/2012/TT-BTC for the investment value as at reporting date. Valuation is determined in accordance with prevailing regulations on securities and the Fund's Charter presented in Note 1.2 and the Valuation Manual approved by the Board of Representatives.

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

Listed shares on the stock exchange:

- The market price is the closing price (or other similar terms upon the stock exchange's rules) of the most recent trading date prior to the valuation date;
- In case where there is no trading transaction over fifteen (15) days up to the valuation date, the share price is determined in order of the following priority:
 - The closing price (or other similar terms upon the stock exchange's rules) of most recent trading date within twelve (12) months up to the date prior to the valuation date;
 - Book value;
 - Purchased price.

Gain or loss from revaluation of investments

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.3 Receivables

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

Provision for doubtful debts is made for each outstanding amount based on number of days past due according to initial payment commitment (ignoring any mutually agreed extension) or based on the estimated loss that may arise.

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

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

4.4 Payables

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

4.5 Taxation

Under the current tax regulations in Vietnam, the Fund is not subject to corporate income tax. However, the Fund Management Company is responsible for withholding tax of individuals and institutions in the following transactions:

Distribution of dividends to fund unit holders

When the Fund distributes dividends to fund unit holders, the Fund Management Company is required to comply with Circular 78/2014/TT-BTC dated 18 June 2014 ("Circular 78/2014/TT-BTC") amended by Circular 96/2015/TT-BTC dated 22 June 2015 and as well as Circular 111/2013/TT-BTC dated 15 August 2013 ("Circular 111/2013/TT-BTC") amended by Circular 92/2015/TT-BTC dated 15 June 2015 ("Circular 92/2015/TT-BTC") issued by the Ministry of Finance and Official Letter No.10945/BTC-TCT dated 19 August 2010 issued by the Ministry of Finance regarding tax policy on profits distributions to corporate fund unit holders. Accordingly, when the Fund distributes dividends to local corporate fund unit holders, such local corporate fund unit holders are responsible for tax declaration and payment obligations arising thereon as regulated. When the Fund distributes dividends to foreign corporate fund unit holders, the Fund Management Company is required to withhold and pay 20% BIT on the distributed dividends (excluding the Fund's distribution of after-tax profits and bond interest earned from tax-free bonds in accordance with the applicable regulations) on their behalf. When the Fund distributes dividends to individual fund unit holders (both residents and non-residents), the Fund Management Company is required to withhold and pay 5% personal income tax on the distributed dividends on their behalf.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 Taxation (continued)

Redemption of fund units

The Fund Management Company is required to withhold and pay tax when it redeems its units from individual fund unit holders (both residents and non-residents) and foreign corporate fund unit holders on their behalf according to Circular 111/2013/TT-BTC amended by Circular 92/2015/TT-BTC, Circular 25/2018/TT-BTC dated 16 March 2018 and Circular 103/2014/TT-BTC dated 6 August 2014 issued by the Ministry of Finance. The tax rate is 0.1% on the redemption proceeds. The Fund Management Company is not responsible for withholding and paying BIT on redemption proceeds paid to local corporate fund unit holders. These local corporate fund unit holders are responsible for their own BIT declaration and payment obligations according to Circular 78/2014/TT-BTC amended by Circular 96/2015/TT-BTC dated 22 June 2015.

4.6 Provisions

Provisions are recognised when:

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

Provision is not recognised for future operating losses.

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

4.7 Share capital

The fund's units are classified as equity. Each unit has a par value of VND10,000.

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

Subscription capital

Subscription capital represents the fund unit holders' contributed capital in initial public offer and in subsequent subscription cycles after the conversion date or in switches of fund units between open-ended funds under common management of the Fund Management Company. Issued capital is recorded as par value.

Redemption capital

Redemption capital represents the gross redemption amount paid to fund unit holders in subsequent redemption cycles after establishment date or in switches of fund units between open-ended funds under common management of the Fund Management Company. Redemption capital is recorded at par value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.7 Share capital (continued)

Share premium

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

Undistributed profits/(losses)

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

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

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

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

Profits/assets distributed to fund unit holders

These are profits/assets distributed to fund unit holders during the period and their amounts are deducted against undistributed profits.

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

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

4.8 Revenue

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

Dividend income

Dividend income is recognised in the statement of income when the Fund's entitlement as an investor to receive the dividends is established. Share dividends are not recognised as income.

Income from securities trading

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

4.9 Expenses

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

4.10 Related parties

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

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

4.11 Nil items

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

5 ADDITIONAL INFORMATION TO THE STATEMENT OF INCOME

5.1 Dividend income

	For the year ended 31 December	
	2021 VND	2020 VND
Received dividend income	1,401,447,140	1,560,946,298
Accrued dividend income	348,076,000	221,300,000
	<u>1,749,523,140</u>	<u>1,782,246,298</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)

5 ADDITIONAL INFORMATION TO THE STATEMENT OF INCOME (continued)

5.2 Realised gain from trading securities

	Total proceeds of disposals VND	Weighted average cost of investments up to the latest trading date VND	Realised gain for the year ended 31.12.2021 VND	Cumulative realised gain as at 31.12.2021 VND	Cumulative Realised gain as at 31.12.2020 VND
Listed shares	348,127,693,000	307,568,120,327	40,559,572,673	42,388,219,852	1,273,740,445

5.3 Unrealised loss from revaluation of investments

	Carrying value VND	Market value as at 31.12.2021 VND	Unrealised gain from revaluation of investments as at 31.12.2021 VND	Cumulative unrealised gain as at 31.12.2020 VND	Unrealised loss for the year ended 31.12.2021 VND
Listed shares	129,230,561,852	145,383,405,800	16,152,843,948	21,535,264,171	(5,382,420,223)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

5 ADDITIONAL INFORMATION TO THE STATEMENT OF INCOME (continued)

5.4 Transaction costs from purchases and sales of investments

	For the year ended 31 December	
	2021 VND	2020 VND
Brokerage fees from sales	501,722,591	202,084,436
Brokerage fees from purchases	481,287,559	206,016,575
	<u>983,010,150</u>	<u>408,101,011</u>

5.5 Custodian fees

	For the year ended 31 December	
	2021 VND	2020 VND
Custodian fees (Note 8(a)(ii))	228,000,003	228,000,003
Transaction fees to Custodian Bank (Note 8(a)(ii))	157,950,000	101,100,000
Depository fees to VSD (Note 8(a)(ii))	10,689,876	9,212,713
	<u>396,639,879</u>	<u>338,312,716</u>

5.6 Other operating expenses

	For the year ended 31 December	
	2021 VND	2020 VND
Remunerations to the Board of Representatives (Note 8 (a)(iii))	180,000,000	180,000,000
Bank charges (Note 8 (a)(ii))	1,148,400	1,008,700
	<u>181,148,400</u>	<u>181,008,700</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

6 ADDITIONAL INFORMATION TO THE STATEMENT OF FINANCIAL POSITION

6.1 Cash and cash equivalents

	As at	
	31.12.2021	31.12.2020
	VND	VND
Cash at HSBC Bank (Vietnam) Limited for the Fund's operations (Note 8(b))		
Cash for the Fund's operation	11,952,839,111	2,350,678,226
Cash for the Fund's subscription	81,000,000	772,200,000
	<u>12,033,839,111</u>	<u>3,122,878,226</u>

6.2 Investments

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

The Fund does not participate in the day-to-day financial and operating policy decisions of these investee companies. Accordingly, the Fund does not intend to exert control or significant influence over the investee companies. Therefore, the investments of the Fund are recognised based on the accounting policy as presented in Note 4.2 instead of equity accounting or consolidation.

The details of the Fund's investments as at 31 December 2021 are as follows:

	Carrying value	Gain/(loss) from revaluation of investments		Market value
		Gain	Loss	
	VND	VND	VND	VND
Listed shares	<u>129,230,561,852</u>	<u>17,378,702,308</u>	<u>(1,225,858,360)</u>	<u>145,383,405,800</u>

The details of the Fund's investments as at 31 December 2020 are as follows:

	Carrying value	Gain/(loss) from revaluation of investments		Market value
		Gain	Loss	
	VND	VND	VND	VND
Listed shares	<u>78,831,157,179</u>	<u>21,701,481,066</u>	<u>(166,216,895)</u>	<u>100,366,421,350</u>

6.3 Receivables from investments sold but not yet settled

Receivables from investments sold but not yet settled were settled in two (2) working days after the trade date (T+2) in accordance with Vietnamese securities settlement practice.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

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

6.4 Payables for securities purchased but not yet settled

Payables for securities purchased but not yet settled were settled in two (2) working days after the trade date (T+2) in accordance with Vietnamese securities settlement practice.

6.5 Accrued expenses

	As at	
	31.12.2021 VND	31.12.2020 VND
Audit fee	80,000,000	93,500,000
Remunerations to the Board of Representatives (Note 8(b))	45,000,000	45,000,000
	<u>125,000,000</u>	<u>138,500,000</u>

6.6 Subscription and redemption payable to fund unit holders

Subscription payable to fund unit holders represents cash received from fund unit holders for valid subscription and in progress for issuance.

Redemption payable to fund unit holders represents amount payable to fund unit holders for valid redemption and in progress for settlement.

6.7 Fees payable to related service providers

	As at	
	31.12.2021 VND	31.12.2020 VND
Payables to Fund Management Company		
Fund management fee (Note 8(b))	193,968,849	125,824,659
Payables to Supervising and Custodian Bank		
Custody fee (Note 8(b))	19,000,001	19,000,002
Transaction fee (Note 8(b))	12,000,000	6,150,000
Supervising fee (Note 8(b))	7,700,002	7,700,001
	<u>38,700,003</u>	<u>32,850,003</u>
Payables for Transfer agency service and Fund admin service		
Transfer agency fee (Note 8(b))	16,207,283	14,790,174
Fund administration fee (Note 8(b))	12,099,999	12,100,000
	<u>28,307,282</u>	<u>26,890,174</u>
	<u>260,976,134</u>	<u>185,564,836</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)

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

6.8 Movements in owners' equity

	Unit	As at 31.12.2020	Incurred for the year	As at 31.12.2021
Subscription capital				
Number of fund units	Unit	8,524,346.88	1,756,943.06	10,281,289.94
Subscription capital at par value	VND	85,243,468,800	17,569,430,600	102,812,899,400
Share premium of subscription capital	VND	232,913,623	8,883,218,165	9,116,131,788
Total subscription capital	VND	85,476,382,423	26,452,648,765	111,929,031,188
Redemption capital				
Number of fund units	Unit	(399,252.64)	(422,247.85)	(821,500.49)
Redemption capital at par value	VND	(3,992,526,400)	(4,222,478,500)	(8,215,004,900)
Share premium of redemption capital	VND	(243,206,220)	(2,344,522,322)	(2,587,728,542)
Total redemption capital	VND	(4,235,732,620)	(6,567,000,822)	(10,802,733,442)
Total contribution capital	VND	81,240,649,803	19,885,647,943	101,126,297,746
Accumulated profits	VND	21,360,386,458	32,869,786,391	54,230,172,849
Net asset value	VND	102,601,036,261	52,755,434,334	155,356,470,595
Number of outstanding fund units	Unit	8,125,094.24	1,334,695.21	9,459,789.45
NAV per fund unit	VND/Unit	12,627.67		16,422.82

6.9 Accumulated profits

	As at 31.12.2020 VND	Incurred for the year VND	As at 31.12.2021 VND
Realised (losses)/gains	(174,877,713)	38,252,206,614	38,077,328,901
Unrealised gains/(losses)	21,535,264,171	(5,382,420,223)	16,152,843,948
Accumulated profits	21,360,386,458	32,869,786,391	54,230,172,849

DFVN CAPITAL APPRECIATION FUND

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)

7 NET ASSET VALUE (NAV)

For the year ended 31 December 2021					
No.	Valuation date	NAV VND	Quantity of fund units	NAV per unit at calculation date VND	Increase/ (Decrease) of NAV per unit VND
1	04.01.2021	102,601,036,261	8,125,094.24	12,627.67	
2	05.01.2021	104,271,712,417	8,125,094.24	12,833.29	205.62
3	12.01.2021	111,101,985,395	8,184,642.11	13,574.44	741.15
4	19.01.2021	112,084,930,593	8,184,879.17	13,694.14	119.70
5	26.01.2021	110,152,875,922	8,189,796.12	13,450.01	(244.13)
6	01.02.2021	100,278,990,090	8,228,478.09	12,186.82	(1,263.19)
7	02.02.2021	97,999,798,116	8,228,478.09	11,909.83	(276.99)
8	09.02.2021	102,961,047,275	8,233,463.85	12,505.19	595.36
9	23.02.2021	112,004,345,025	8,247,577.88	13,580.27	1,075.08
10	01.03.2021	111,222,679,940	8,255,742.36	13,472.15	(108.12)
11	02.03.2021	113,028,772,031	8,255,742.36	13,690.92	218.77
12	09.03.2021	111,361,630,589	8,262,459.65	13,478.02	(212.90)
13	16.03.2021	113,799,593,294	8,339,553.68	13,645.76	167.74
14	23.03.2021	114,944,722,068	8,359,838.19	13,749.63	103.87
15	30.03.2021	112,444,123,908	8,368,074.97	13,437.27	(312.36)
16	01.04.2021	115,039,248,475	8,454,971.98	13,606.10	168.83
17	06.04.2021	119,403,699,754	8,454,971.98	14,122.30	516.20
18	13.04.2021	120,939,078,348	8,464,893.99	14,287.13	164.83
19	20.04.2021	121,830,521,650	8,521,206.01	14,297.33	10.20
20	27.04.2021	117,502,671,772	8,526,311.79	13,781.18	(516.15)
21	03.05.2021	121,104,230,267	8,604,856.47	14,073.93	292.75
22	04.05.2021	121,081,489,067	8,604,856.47	14,071.29	(2.64)
23	11.05.2021	123,742,024,320	8,615,626.85	14,362.50	291.21
24	18.05.2021	123,894,282,104	8,614,500.10	14,382.06	19.56
25	25.05.2021	128,497,528,785	8,630,488.94	14,888.78	506.72
26	01.06.2021	133,163,624,330	8,648,738.71	15,396.88	508.10
27	08.06.2021	136,357,642,464	8,682,737.40	15,704.45	307.57
28	15.06.2021	135,941,182,462	8,663,850.08	15,690.62	(13.83)
29	22.06.2021	137,260,226,291	8,663,181.75	15,844.08	153.46
30	29.06.2021	140,937,594,137	8,685,395.75	16,226.96	382.88
31	01.07.2021	141,816,547,549	8,754,989.87	16,198.36	(28.60)
32	06.07.2021	142,564,295,824	8,754,989.87	16,283.77	85.41
33	13.07.2021	132,511,661,658	8,773,141.06	15,104.24	(1,179.53)
34	20.07.2021	127,358,467,816	8,795,778.67	14,479.49	(624.75)
35	27.07.2021	129,973,378,220	8,811,707.10	14,750.07	270.58
36	03.08.2021	135,687,481,009	8,886,698.31	15,268.60	518.53
37	03.08.2021	136,181,093,245	8,886,698.31	15,324.14	55.54
38	10.08.2021	141,166,886,297	8,899,015.37	15,863.20	539.06
39	17.08.2021	142,069,924,914	8,919,457.01	15,928.09	64.89
40	24.08.2021	134,490,821,216	8,911,461.87	15,091.89	(836.20)
41	31.08.2021	137,133,497,793	8,906,314.84	15,397.33	305.44
42	01.09.2021	138,523,942,144	8,980,541.49	15,424.89	27.56
43	07.09.2021	140,056,324,328	8,980,541.49	15,595.53	170.64
44	14.09.2021	139,119,428,161	8,987,373.72	15,479.43	(116.10)
45	21.09.2021	140,854,387,097	9,042,499.97	15,576.92	97.49

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)

7 NET ASSET VALUE (NAV) (continued)

For the year ended 31 December 2021 (continued)					
No.	Valuation date	NAV VND	Quantity of fund units	NAV per unit at calculation date VND	Increase/ (Decrease) of NAV per unit VND
46	28.09.2021	138,038,339,416	9,049,462.14	15,253.76	(323.16)
47	01.10.2021	140,999,663,807	9,092,256.50	15,507.66	253.90
48	05.10.2021	141,120,353,980	9,092,256.50	15,520.93	13.27
49	12.10.2021	146,924,315,680	9,129,941.77	16,092.57	571.64
50	19.10.2021	147,378,453,241	9,130,420.30	16,141.47	48.90
51	26.10.2021	145,551,864,420	9,141,144.91	15,922.71	(218.76)
52	01.11.2021	151,097,705,047	9,147,735.11	16,517.49	594.78
53	02.11.2021	149,631,838,073	9,147,735.11	16,357.25	(160.24)
54	09.11.2021	152,982,352,379	9,212,979.26	16,605.09	247.84
55	16.11.2021	153,613,374,176	9,257,243.10	16,593.85	(11.24)
56	23.11.2021	149,903,071,259	9,281,855.05	16,150.11	(443.74)
57	30.11.2021	153,355,331,929	9,276,410.97	16,531.75	381.64
58	01.12.2021	152,996,041,783	9,300,491.63	16,450.31	(81.44)
59	07.12.2021	146,219,640,215	9,300,491.63	15,721.71	(728.60)
60	14.12.2021	153,635,213,433	9,431,934.90	16,288.83	567.12
61	21.12.2021	153,140,445,797	9,413,132.87	16,268.80	(20.03)
62	28.12.2021	153,164,195,514	9,391,518.48	16,308.77	39.97
63	04.01.2022	155,356,470,595	9,459,789.45	16,422.82	114.05
Average NAV of the year				131,757,565,466	
Changes in NAV per fund unit during the year - highest level				(1,263.19)	
Changes in NAV per fund unit during the year - lowest level				(2.64)	

DFVN CAPITAL APPRECIATION FUND

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)

7 NET ASSET VALUE (NAV) (continued)

For the year ended 31 December 2020					
No.	Valuation date	NAV VND	Quantity of fund units	NAV per unit at calculation date VND	Increase/ (Decrease) of NAV per unit VND
1	02.01.2020	80.870.153.926	7.747.580,49	10.438,11	
2	07.01.2020	80,241,521,883	7,747,580.49	10,356.97	(81.14)
3	14.01.2020	80,968,909,343	7,740,459.89	10,460.47	103.50
4	21.01.2020	82,776,193,406	7,741,690.60	10,692.26	231.79
5	01.02.2020	78,817,766,351	7,760,349.05	10,156.47	(535.79)
6	04.02.2020	78,334,172,844	7,760,349.05	10,094.15	(62.32)
7	11.02.2020	78,871,089,504	7,768,472.51	10,152.71	58.56
8	18.02.2020	80,004,409,664	7,759,822.79	10,310.08	157.37
9	25.02.2020	76,713,812,137	7,758,894.04	9,887.20	(422.88)
10	02.03.2020	76,072,561,216	7,760,512.28	9,802.51	(84.69)
11	03.03.2020	76,362,846,803	7,828,286.70	9,839.92	37.41
12	10.03.2020	72,445,000,893	7,835,526.56	9,254.26	(585.66)
13	17.03.2020	65,024,643,594	7,831,227.55	8,298.69	(955.57)
14	24.03.2020	59,750,246,987	7,832,931.39	7,629.74	(668.95)
15	31.03.2020	58,861,244,516	7,839,718.12	7,514.58	(115.16)
16	01.04.2020	58,778,186,978	7,839,718.12	7,497.48	(17.10)
17	07.04.2020	64,506,209,137	7,839,718.12	8,228.12	730.64
18	14.04.2020	65,798,571,838	7,865,677.44	8,365.27	137.15
19	21.04.2020	68,563,703,159	7,878,374.76	8,702.77	337.50
20	28.04.2020	67,261,952,627	7,881,017.56	8,534.67	(168.10)
21	04.05.2020	67,458,124,623	7,900,701.85	8,538.24	3.57
22	05.05.2020	66,639,311,426	7,900,701.85	8,434.60	(103.64)
23	12.05.2020	71,975,319,425	7,919,386.07	9,088.49	653.89
24	19.05.2020	73,325,715,647	7,923,347.05	9,254.38	165.89
25	26.05.2020	75,220,805,898	7,927,183.04	9,488.97	234.59
26	01.06.2020	75,454,760,572	7,931,714.60	9,513.04	24.07
27	02.06.2020	76,940,348,029	7,931,714.60	9,700.34	187.30
28	09.06.2020	79,227,792,337	7,963,991.04	9,948.25	247.91
29	16.06.2020	73,748,392,059	7,966,303.00	9,257.54	(690.71)
30	23.06.2020	76,430,900,112	7,963,225.43	9,597.98	340.44
31	30.06.2020	73,027,982,943	7,964,579.86	9,169.09	(428.89)
32	01.07.2020	72,524,507,896	7,974,395.39	9,094.67	(74.42)
33	07.07.2020	75,334,425,557	7,974,395.39	9,447.03	352.36
34	14.07.2020	76,212,438,908	7,992,403.15	9,535.60	88.57
35	21.07.2020	75,982,760,113	7,994,374.70	9,504.52	(31.08)
36	28.07.2020	69,025,882,236	7,995,111.18	8,633.51	(871.01)
37	01.08.2020	70,303,510,506	8,014,985.25	8,771.50	137.99
38	04.08.2020	71,760,258,872	8,014,985.25	8,953.26	181.76
39	11.08.2020	74,251,420,247	8,031,189.73	9,245.38	292.12
40	18.08.2020	75,318,172,765	8,033,259.55	9,375.79	130.41
41	25.08.2020	77,684,061,028	8,033,689.44	9,669.78	293.99
42	01.09.2020	78,775,025,468	8,035,550.88	9,803.31	133.53
43	08.09.2020	78,751,463,018	8,046,885.12	9,786.57	(16.74)
44	15.09.2020	79,822,876,143	8,039,641.81	9,928.66	142.09
45	22.09.2020	81,180,366,160	8,037,884.14	10,099.71	171.05
46	29.09.2020	82,401,392,318	8,036,010.73	10,254.01	154.30

DFVN CAPITAL APPRECIATION FUND

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)

7 NET ASSET VALUE (NAV) (continued)

For the year ended 31 December 2020 (continued)					
No.	Valuation date	NAV VND	Quantity of fund units	NAV per unit at calculation date VND	Increase/ (Decrease) of NAV per unit VND
47	01.10.2020	82,255,706,180	8,050,716.62	10,217.19	(36.82)
48	06.10.2020	83,247,272,206	8,050,716.62	10,340.35	123.16
49	13.10.2002	84,031,370,036	8,066,990.20	10,416.69	76.34
50	20.10.2020	86,431,704,134	8,065,131.30	10,716.71	300.02
51	27.10.2020	86,603,795,609	8,058,727.14	10,746.58	29.87
52	02.11.2020	84,491,358,613	8,091,712.04	10,441.71	(304.87)
53	03.11.2020	85,199,632,725	8,091,712.04	10,529.24	87.53
54	10.11.2020	87,078,196,864	8,109,601.83	10,737.66	208.42
55	17.11.2020	87,424,164,312	8,115,391.26	10,772.63	34.97
56	24.11.2020	91,585,347,061	8,112,981.77	11,288.74	516.11
57	01.12.2020	92,274,129,683	8,108,526.91	11,379.88	91.14
58	08.12.2020	94,858,256,704	8,121,181.93	11,680.35	300.47
59	15.12.2020	98,030,189,000	8,124,176.17	12,066.47	386.12
60	22.12.2020	100,229,049,134	8,119,655.61	12,344.00	277.53
61	29.12.2020	101,330,660,615	8,124,947.10	12,471.54	127.54
62	04.01.2021	102,601,036,261	8,125,094.24	12,627.67	156.13
Average NAV of the year				78,141,031,579	
Changes in NAV per fund unit during the year - highest level				(955.57)	
Changes in NAV per fund unit during the year - lowest level				3.57	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

8 RELATED PARTIES DISCLOSURES

(a) Transactions with related parties

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

(i) *Dai-ichi Life Vietnam Fund Management Company Limited, the Fund Management Company*

	For the year ended 31 December	
	2021 VND	2020 VND
Fund management fee	1,974,576,589	1,178,295,665

In accordance with the Fund's Charter, Fund Management Company is entitled to receive annual management fee equal to 1.5% of NAV of the Fund. The fund management fee is calculated (accrued) for each valuation period based on the NAV of the Fund excluding fee at the date prior to the valuation date. The monthly fee payable is total fee which is calculated (accrued) for valuation dates within each month.

(ii) *HSBC Bank (Vietnam) Limited, the Supervising, Custodian Bank, Transfer Agency and Fund Administration*

	For the year ended 31 December	
	2021 VND	2020 VND
Custodian service (Note 5.5)	228,000,003	228,000,003
Transfer agency fee	192,606,644	177,083,044
Fund administration fee	145,200,007	145,200,006
Transaction fee (Note 5.5)	157,950,000	101,100,000
Supervising fee	92,399,999	92,400,000
Depository fee to HSBC Bank (Vietnam) on behalf of VSD (Note 5.5)	10,689,876	9,212,713
Bank charges (Note 5.6)	1,148,400	1,008,700

The Fund has appointed HSBC Bank (Vietnam) Limited ("HSBC") to be the Custodian Bank and Supervisory Bank of the Fund. HSBC was authorised by the Fund Management Company to provide fund administration service and transfer agency service.

In accordance with the Fund's Charter, the Fund has to pay HSBC custodian service fee, supervising fee, fund administration fee and transfer agency fee on a monthly basis. The above fees are calculated at each valuation period using NAV at valuation date. Monthly fees are total fees of valuation periods within each month, the details are as follows:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

8 RELATED PARTIES DISCLOSURES (continued)

(a) Transactions with related parties (continued)

(ii) HSBC Bank (Vietnam) Limited, the Supervising, Custodian Bank, Transfer Agency and Fund Administration (continued)

Services	Fee rates
Supervising fee (excluding VAT)	0.02% per annum on NAV. Minimum supervising fee is VND7,000,000 per month
Custodian fee	0.06% per annum on NAV. Minimum custodian fee is VND19,000,000 per month
Fund administration (excluding VAT)	0.035% per annum on NAV. Minimum fund administration is VND11,000,000 per month

Transfer agency fees include two groups of fees as follows:

- Group of fee calculated based on NAV or transaction value include:
 - Annual Fund unit holders retainer service: 0.04% annual NAV. Minimum transfer agency maintenance fee is VND13,000,000 per month.
 - Subscriptions, redemptions, switches, transfers services: 0.03% on each transaction.
- Group of fee calculated based on actual amount incurred include:
 - Static data maintenance service including investor static data creation: VND15,000 per investor and distributor static data creation: VND1,000,000 per distribution agent.
 - Other fees such as bulk mail delivery request charges VND100,000 per fund unit holder, online banking ("HSBCnet") equipment fee VND300,000 per equipment and other fees.

In addition, the Fund also has obligation to pay HSBC the following fees in relation to assets transactions of the Fund:

Services	Fee rates
Purchases/sales of securities	VND150,000 per transaction

(iii) Board of Representatives' remunerations

	For the year ended 31 December	
	2021 VND	2020 VND
Board of Representatives' remunerations (Note 5.6)	180,000,000	180,000,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

8 RELATED PARTIES DISCLOSURES (continued)

(a) Transactions with related parties (continued)

(iii) Board of Representatives' remunerations (continued)

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

(b) Balances with related parties

As at 31 December 2021, the Fund had the following balances with related parties:

	As at	
	31.12.2021	31.12.2020
	VND	VND
Fund Management Company		
Fund management fee payable (Note 6.7)	193,968,849	125,824,659
	<u> </u>	<u> </u>
HSBC Bank Limited (Vietnam)		
Cash for the Fund's operations (Note 6.1)	12,033,839,111	3,122,878,226
Custody fee payable (Note 6.7)	19,000,001	19,000,002
Transfer agency service fee (Note 6.7)	16,207,283	14,790,174
Transaction service fee payable (Note 6.7)	12,000,000	6,150,000
Fund administration fee payable (Note 6.7)	12,099,999	12,100,000
Supervising fee payable (Note 6.7)	7,700,002	7,700,001
	<u> </u>	<u> </u>
Board of Representatives		
Accrued Board of Representatives' remunerations (Note 6.5)	45,000,000	45,000,000
	<u> </u>	<u> </u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

9 THE FUND'S PERFORMANCE INDICATORS

		For the year ended 31 December	
		2021 VND	2020 VND
I	Investment performance		
1	Management fee paid to Fund Management Company/Average NAV during the year (%)	1.50	1.51
2	Custody, supervising fee paid to Supervising Bank/Average NAV during the year (%)	0.37	0.55
3	Fund administration fee, and other expenses paid to related service suppliers/Average NAV during the year (%)	0.26	0.41
4	Audit fee/Average NAV during the year (%)	0.12	0.19
5	Legal advisory fee, quotation fee and other fees, remunerations paid to the Fund Board of Representatives/Average NAV during the year (%)	0.14	0.23
6	Operation expenses/Average NAV during the year (%)	3.13	3.42
7	Turnover of investment portfolio during the year (%)	267.95	180.62

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)

9 THE FUND'S PERFORMANCE INDICATORS (continued)

		For the year ended 31 December	
		2021 VND	2020 VND
II	Others		
1	Fund scale at the beginning of the year (calculated on par value of fund units)		
	Total value of fund units at the beginning of the year (VND)	81,250,942,400	77,475,804,900
	Total number of fund units at the beginning of the year (unit)	8,125,094.24	7,747,580.49
2	Change in Fund scale during the year (calculated on par value of fund units)		
	Number of issued fund units during the year (unit)	1,756,943.06	553,890.99
	Value of subscription capital during the year (at par value) (VND)	17,569,430,600	5,538,909,900
	Number of redeemed fund units during the year (unit)	(422,247.85)	(176,377.24)
	Value of redemption capital during the year (at par value) (VND)	(4,222,478,500)	(1,763,772,400)
3	Fund scale at the end of the year (calculated on par value of fund units)		
	Total value of fund units at the end of the year (VND)	94,597,894,500	81,250,942,400
	Total number of fund units at the end of the year (unit)	9,459,789.45	8,125,094.24
4	Percentage of fund units held by the Fund Management Company and related parties at the end of the year (%)	77.53%	89.74%
5	Proportion of fund units held by 10 largest fund unit holders at the end of the year (%)	80.38%	92.01%
6	Percentage of fund units held by foreign fund unit holders at the end of the year (%)	74.00%	86.15%
7	Number of fund unit holders at the end of the year (unit)	1,019	346
8	NAV/fund unit at the end of the year (VND/unit)	16,422.82	12,627.67

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE

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

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

Credit risk
Liquidity risk
Market risk

The Fund's investment portfolio comprises listed securities, cash at bank. Board of Executives of the Fund Management Company has been given a discretionary authority to manage the Fund's assets in compliance with the Fund's investment objectives. Compliance with the investment restrictions is monitored by the Supervising Bank on a weekly and monthly basis. If any breach to the investment restrictions is found, the investment portfolio shall be adjusted by the Fund Management Company to comply with the established restrictions.

(a) Credit risk

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

All current cash at bank, term deposits and certificates of deposit were placed with financial institutions where the Fund did not expect any losses arising from their operations.

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

Receivables from investment activities include interest receivables from term deposits, bonds and certificates of deposit and dividend receivables. The maximum exposure to credit risk faced by the Fund is equal to the carrying amounts of cash at bank, term deposits, corporate bonds, transferable certificates of deposit and receivables from investment activities.

As at 31 December 2021 and 31 December 2020, the Fund has no doubtful debts.

(b) Liquidity risk

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

**NOTES TO THE FINANCIAL STATEMENTS
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(continued)**

10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (continued)

(b) Liquidity risk (continued)

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

As at 31 December 2021 and 31 December 2020, all the Fund's liabilities were due within 1 year.

As at 31 December 2021 and 31 December 2020, there was no obligation relating to derivative financial instruments.

(c) Market risk

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

Interest rate risk

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

As at 31 December 2021 and 31 December 2020, the Fund's exposure to market risk due to change in interest rates is minimal since all cash at bank of the Fund is demand deposit have low and fixed interest rates.

Currency risk

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

Market price risk

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

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

As at 31 December 2021, the market value of the Fund's listed securities is VND145,383,405,800 (as at 31 December 2020: VND100,366,421,350, if market price of securities had increased/decreased by 10% with all other variables (including tax rate) being held constant, the net asset value of the Fund would have been higher/lower by VND14,538,340,580 (as at 31 December 2020: VND10,036,642,135).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (continued)

(d) Fair value of financial assets and liabilities

Financial assets of the Fund comprise:

- Cash;
- Listed equities and net accumulative dividend receivables.

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

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

Fair value measurement approach has not been stipulated in neither Circular 210/2009/TT-BTC nor Vietnamese Accounting Standards, Circular 198/2012/TT-BTC, Circular 181/2015/TT-BTC, Circular 98/2020/TT-BTC and prevailing regulations on the preparation and presentation of financial statements applicable to open-ended investment funds.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

10 FINANCIAL RISK MANAGEMENT AND FAIR VALUE (continued)

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

Fair values of the Fund's financial assets and financial liabilities as at 31 December 2021 and 30 December 2020 are as follows:

	Carrying value		Fair value	
	31.12.2021 VND	31.12.2020 VND	31.12.2021 VND	31.12.2020 VND
Financial assets				
Cash and cash equivalents	12,033,839,111	3,122,878,226	12,033,839,111	3,122,878,226
Net Investments	145,383,405,800	100,366,421,350	145,383,405,800	100,366,421,350
- <i>Listed shares</i>	145,383,405,800	100,366,421,350	145,383,405,800	100,366,421,350
Receivables from investments				
sold but not yet settled	403,394,000	656,164,275	403,394,000	656,164,275
Dividend and interest				
receivables	348,076,000	221,300,000	348,076,000	221,300,000
- <i>Dividend receivables not yet due</i>	348,076,000	221,300,000	348,076,000	221,300,000
Total	158,168,714,911	104,366,763,851	158,168,714,911	104,366,763,851
Financial liabilities				
Payables for securities				
purchased but not yet settled	2,343,610,150	432,147,250	2,343,610,150	432,147,250
Subscription and redemption				
fee payable to distributors	-	88,000	-	88,000
Expense accruals	125,000,000	138,500,000	125,000,000	138,500,000
Subscription payable to fund				
unit holders	81,000,000	772,200,000	81,000,000	772,200,000
Redemption payables to fund				
unit holders	-	236,580,656	-	236,580,656
Fees payable to Fund related				
service providers	260,976,134	185,564,836	260,976,134	185,564,836
Total	2,810,586,284	1,765,080,742	2,810,586,284	1,765,080,742

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)**

11 SUBSEQUENT EVENTS

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

12 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements for the year ended 31 December 2021 were approved by the Board of Representatives on 24 March 2022.



Dai-ichi Life Vietnam Fund Management
Company Limited
Tran Chau Danh
Chief Executive Officer

Dai-ichi Life Vietnam Fund Management
Company Limited
Ho Thi Mai Phuong
Operation Officer

Dai-ichi Life Vietnam Fund Management
Company Limited
Tran Thi Anh Tram
Operation Senior Manager
Fund Administration Operations

