



DFVN Capital Appreciation Fund

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



**DFVN Capital Appreciation Fund
General Information**

**Initial Public Offering
Certificate No.**

56/GCN-UBCK dated 16 October 2018

The Initial Public Offering Certificate was issued by the State Securities Commission.

**Establishment Registration
Certificate of Open-ended Fund No.**

34/GCN-UBCK dated 3 January 2019

The Establishment Registration Certificate of Open-ended Fund was issued by the State Securities Commission and is valid for indefinite time.

Board of Representatives

Mr. Do Hung Viet	Chairman
Mr. Huynh Van Dung	Member
Mr. Nguyen Gia Huy Chuong	Member

Fund Management Company

Dai-ichi Life Vietnam Fund Management Company Limited

Supervising Bank

HSBC Bank (Vietnam) Ltd.

Registered Office

Floor 11th
149-151 Nguyen Van Troi
Ward 11, Phu Nhuan District
Ho Chi Minh City
Vietnam

Auditor

KPMG Limited
Vietnam

DFVN Capital Appreciation Fund
Report of the Board of Representatives

REPORT OF THE BOARD OF REPRESENTATIVES

I, Do Hung Viet, being the Chairman of the Board of Representatives and on behalf of the Unit Holders of DFVN Capital Appreciation Fund (“the Fund”), do hereby approve the attached interim financial statements of the Fund for the six-month period ended 30 June 2020, which have been prepared in accordance with Vietnamese Accounting Standards, Circular No. 198/2012/TT-BTC dated 15 November 2012 issued by the Ministry of Finance on the promulgation of accounting system for open-ended funds, the relevant requirements of Circular No. 183/2011/TT-BTC dated 16 December 2011 issued by the Ministry of Finance on the promulgation of guidance on establishment and management of open-ended funds and of Circular No. 15/2016/TT-BTC dated 20 January 2016 issued by the Ministry of Finance amending and supplementing certain articles of Circular No. 183/2011/TT-BTC dated 16 December 2011 and the other relevant statutory requirements applicable to interim financial reporting.

On behalf of the Board of Representatives

Mr. Do Hung Viet
Chairman



Ho Chi Minh City, 10 August 2020

**DFVN Capital Appreciation Fund
Report of the Fund Management Company**

**STATEMENT OF THE FUND MANAGEMENT COMPANY'S RESPONSIBILITY
IN RESPECT OF THE INTERIM FINANCIAL STATEMENTS**

Management of Dai-ichi Life Vietnam Fund Management Company Limited ("the Fund Management Company") presents this statement and the accompanying interim financial statements of DFVN Capital Appreciation Fund for the six-month period ended 30 June 2020.

Management of the Fund Management Company is responsible for the preparation and fair presentation of the interim financial statements of DFVN Capital Appreciation Fund ("the Fund") in accordance with Vietnamese Accounting Standards, Circular No. 198/2012/TT-BTC ("Circular 198") dated 15 November 2012 issued by the Ministry of Finance on the promulgation of accounting system for open-ended funds, the relevant requirements of Circular No. 183/2011/TT-BTC ("Circular 183") dated 16 December 2011 issued by the Ministry of Finance on the promulgation of guidance on establishment and management of open-ended funds and of Circular No. 15/2016/TT-BTC ("Circular 15") dated 20 January 2016 issued by the Ministry of Finance amending and supplementing certain articles of Circular 183 and the other relevant statutory requirements applicable to interim financial reporting. In preparing those interim financial statements, the Fund Management Company is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and accounting systems have been followed, subject to any material departures disclosed and explained in the interim financial statements; and
- prepare interim financial statements on the basis of going concern unless it is inappropriate to presume that the Fund will continue in business.

Management of the Fund Management Company is also responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Fund and to ensure that the accounting records comply with the requirements of Vietnamese Accounting Standards, Circular 198, the relevant requirements of Circular 183 and of Circular 15 and the other relevant statutory requirements applicable to interim financial reporting. The Management of the Fund Management Company is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management of Dai-ichi Life Vietnam Fund Management Company Limited confirms that they have complied with the above requirements in preparing these interim financial statements of the Fund for the six-month period ended 30 June 2020.

DFVN Capital Appreciation Fund

Report of the Fund Management Company (continued)

I. Fund's general information

1. Fund's objectives

The Fund provides 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 Stock Market.

2. Fund's performance

According to the Fund's reviewed interim financial statements for the six-month period ended 30 June 2020, until the end of the accounting period, changes in net assets value (NAV) of the Fund is -10.32% compared to the Fund's net assets value as at 31 December 2019.

3. Fund's investment policy and strategy

Investment strategy

The Fund will invest in a diversified portfolio of large-capital listed securities on the Vietnam Stock Market. The selection of industries and companies is based on value assessment, basic analysis and evaluation of market factors.

Conditions for selecting companies are as follows:

- those in the group leading the business;
- having a strong financial status;
- having strong and stable cash flows and high quality asset base; and
- having reliable corporate governance system.

The main investment areas of the Fund shall concentrate on the listed equities on Vietnam Stock Exchanges, the equities about to be listed and the shares of equitised corporations.

Assets allowed to invest:

- term deposits at commercial banks in accordance with banking laws;
- foreign currencies, money market instruments including valuable papers and transferrable instruments in accordance with relevant laws;
- government bonds, government guaranteed bonds or municipal bonds;
- listed shares, registered for trading shares, listed bonds of issuers operating under Vietnamese law;
- shares and bonds to be listed, prepared to register for trading issued by issuers operating under Vietnamese law, corporate bonds issued by listed organisations with payment guarantee of the credit institutions or repurchase commitment of issuers. Investments in securities to be listed must meet the following requirements:
 - have the written approval of the Fund's Board of Representatives on the type, stock code, quantity, transaction value, time of implementation; and
 - have documents proving that the issuer will complete the application for trading registration or listing at the Stock Exchange within twelve months from the date of transaction.

DFVN Capital Appreciation Fund
Report of the Fund Management Company (continued)

- derivative securities listed and traded on Stock Exchanges and are only for risk prevention purposes; and
- arising rights attached to stocks held by the Fund.

Investment structure

Proportion of the Fund's investment asset allocation is as follows:

Investment asset	Proportion (% NAV of the Fund)
Shares	50% – 100%
Short-term deposits (*)	0 – 49%
Cash on current account of the Fund at the Supervising Bank	The remaining amount after investing in the above two types of assets.

(*) The maximum term is three months, the Fund may only invest deposits at banks with appropriate credit ratings, included in the list approved by the Board of Representatives in writing.

4. Fund type

The Fund was established in Vietnam in the form of an Open-ended Fund under the Establishment Registration Certificate of Open-ended Fund No. 34/GCN-UBCK issued by the State Securities Commission on 3 January 2019.

5. Recommendation for investment timeline of the Fund

The Fund is not limited in operating period.

6. Short-term risk level (low, medium, high)

Short-term risk level is medium.

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.

DFVN Capital Appreciation Fund
Report of the Fund Management Company (continued)

7. Date of starting operations of the Fund

The Fund started operations from 3 January 2019.

8. Fund's scale at the reporting date

As at 30 June 2020, the number of Fund units in circulation is 7,974,395.39 units, equivalent to the capital size of the Fund amounting to VND79,743,953,900.

9. Fund's reference index

The Fund does not apply reference index.

10. Fund's dividend distribution policy

As mentioned in the Prospectus, the Fund primarily invests in stocks with the main objective of increasing capital value in the medium and long term, so the Fund has limitations in dividend payment. 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 the General Meeting of Investors.

The Fund will only consider the profit distribution from the following sources and conditions:

- a) Retained profits of the Fund until the end of the financial year that the Fund Management Company proposes to distribute profit must be positive after deducting expenses incurred during the operation according to regulations.
- b) The profit distribution is from the Fund's realised profits during its operation.
- c) After deducting the expected profit distribution to the Investors, the remaining accumulated profits until the end of the financial year that the Fund Management Company proposes to distribute profit must still be greater or equal to zero (can not be negative).
- d) Profit distribution is deducted from the Fund's retained earnings.
- e) The Fund Management Company may only distribute profits when the Fund has completed or has sufficient financial capacity to fulfill its tax obligations and other financial obligations in accordance with law, and fully made the following funds stipulated in the Charter of the Fund and immediately after paying all the fixed profits, the Fund must ensure the payment of all debts and other liabilities.

11. Actual distributed profits per fund unit

During the period, the Fund did not implement profit distribution.

DFVN Capital Appreciation Fund
Report of the Fund Management Company (continued)

II. Performance indicators

1. Fund's assets structure

Fund's assets structure	30/6/2020 (%)	30/6/2019 (%)
1. Investment portfolio	84.80	91.98
2. Cash and cash equivalents	8.71	7.04
3. Other receivables	6.49	0.98
Total	100.00	100.00

2. Detailed operating indicators

Indicator	30/6/2020	30/6/2019
2.1. Net asset value (VND)	72,524,507,896	79,018,509,529
2.2. Total Fund units in circulation (Unit)	7,974,395.39	7,686,473.96
2.3. Net asset value per Fund unit (VND/Unit)	9,094.67	10,280.20
2.4. The highest net asset value per Fund unit during the reporting period (VND/Unit)	10,692.26	10,935.86
2.5. The lowest net asset value per Fund unit during the reporting period (VND/Unit)	7,497.48	9,991.19
2.6. Closing price of Fund unit at the reporting date (VND/Unit)	Not applicable	Not applicable
2.7. The highest closing price of Fund unit during the reporting period (VND/Unit)	Not applicable	Not applicable
2.8. The lowest closing price of Fund unit during the reporting period (VND/Unit)	Not applicable	Not applicable
2.9. Total growth rate per Fund unit (%)	-12.87%	2.80%
2.9.1. Capital growth rate per Fund unit (%) (Change due to price fluctuation)	-8.87%	1.34%
2.9.2. Income growth rate per Fund unit (%) (Based on realised profits)	-7.23%	0.12%
2.10. Gross distribution per Fund unit	Nil	Nil
2.11. Net distribution per Fund unit	Nil	Nil
2.12. Ex-date of distribution	Nil	Nil
2.13. Operating expenses/Average NAV during the period (%)	3.63%	3.37%
2.14. Turnover of investment portfolio (%)	213.72%	206.94%

DFVN Capital Appreciation Fund
Report of the Fund Management Company (continued)

3. Growth rate over time

Period	Total growth rate of NAV per Fund unit (%)	Annual growth rate of NAV per Fund unit (%)
- 1 year	-11.53%	-11.53%
- 3 years	Not applicable	Not applicable
- From establishment date	-9.05%	Not applicable
- Growth rate of reference index	No reference index	No reference index

4. Annual growth rate

Period	30/6/2020 (%)	30/6/2019 (%)
Growth rate of NAV per Fund unit (%)	-11.53%	Not applicable

III. Market description

The macro-economic environment of Vietnam faced many difficulties and challenges during the first six months of 2020 apart from advantages regarding to positive economic growth in 2019 and previous years, the pandemic, Covid-19, is developing very complicated and affecting to all the aspects. Besides, given the global economic growth slowing down, global oil price plunged, United States - China trade war keep going, geopolitical tension keep accelerating, and notably the severe impact from Covid-19 to global economy. Vietnam's GDP growth in 1H2020 witnessed a lowest level in 2011-2020 period, only 1.81% year on year; however this is a rarely positive growth given the globally slowing down due to pandemic.

The complicated development of Covid-19 in the world, especially to those countries which are important trade partners of Vietnam, leads to a huge impact to import and export activities for lots of categories. Total import – export turnover estimated at USD41.5 billions in 6M2020, an increase of 1.5% versus last same period. 1H2020 total trade value estimated USD238.4 billions, a decline of 2.1% comparing to last same period, in which export value reached USD121.2 billions, decreased -1.1% year on year; import value reported USD117.2 billions with -3% growth. Trade surplus obtained USD4 billions in the first half of 2020. Purchasing Managers' Index (PMI) dropped to the record low at 32.7 in April before recovered to 51.1 in June 2020, foreign direct investment (FDI) saw a slightly decline in both disbursement and registration of -4% and -16% year on year respectively in 2Q2020; meantime, good signals remained including the stability of inflation level at around 3% year on year thanks to declined oil price; bright spots including the under control of interest rate and foreign exchange rate supports stabilising macro environment and economic development.

DFVN Capital Appreciation Fund

Report of the Fund Management Company (continued)

After a quiet year of Vietnam's equity market, a catastrophe event which is the pandemic Covid-19 is causing the severe impact to the market relating to foreign investors' cash out flow, weak sentiment of investors leading to market crashed in many sessions. Accordingly, VN-index plunged over 31% during 1Q2020 before recovered by nearly 25% in 2Q2020. Sum up, VN-Index decreased by over 14% in the first half of 2020. A positive point is that trading liquidity during the period has been maintained at pretty good level with roughly VND3,500 billions per day. Regarding pandemic situation, the government has successfully fought against the virus due to effective actions. Vietnam is praised by WHO as a bright spot in containing the crisis.

Previously, the Government approved the Project "Restructuring the stock market and insurance market to 2020 and orientation to 2025 according to Decision No. 242/QĐ-TTg dated 28 February 2019. Accordingly, the Government aims to achieve a market share of 100% of GDP by 2020 and 120% by 2025, the bond market size will reach 47% of GDP by 2020 and 55% of GDP by 2025. The number of listed companies by 2020 increases by 20% compared to 2017. Diversifying products on the stock market, comprehensively and synchronously innovating trading and clearing technology in the market. By 2025, target to be upgraded the Vietnam stock market on the list of emerging markets, and in the latest event regarding to 20th anniversary celebration of Vietnam securities market establishment, chairman of State Securities Commission gave an optimistic view on the upgrade by 2023 being relative certainty. Besides, there are catalysts upcoming being expected to reiterate the equity market prospect such as local exchange traded funds ("ETF") including VNFIN LEAD debuted since March 2020, VNFIN SELECT (financial ETFs), and VN Diamond debuted since May 2020 (FOL ETF) as well as potential upcoming pension fund. Notably, market is expecting a structure change for sustainable development basing on new law of securities which will be in valid in 2021.

Therefore, with recent crashes due to short term event of the pandemic, investment indicators seem to be more attractive; besides, it is expected for a long term sustainable prospect for the Fund's operation which base on the stable macro-economic background.

DFVN Capital Appreciation Fund
Report of the Fund Management Company (continued)

IV. Details of the Fund's operating indicators

4.1. Fund's detailed operating figures

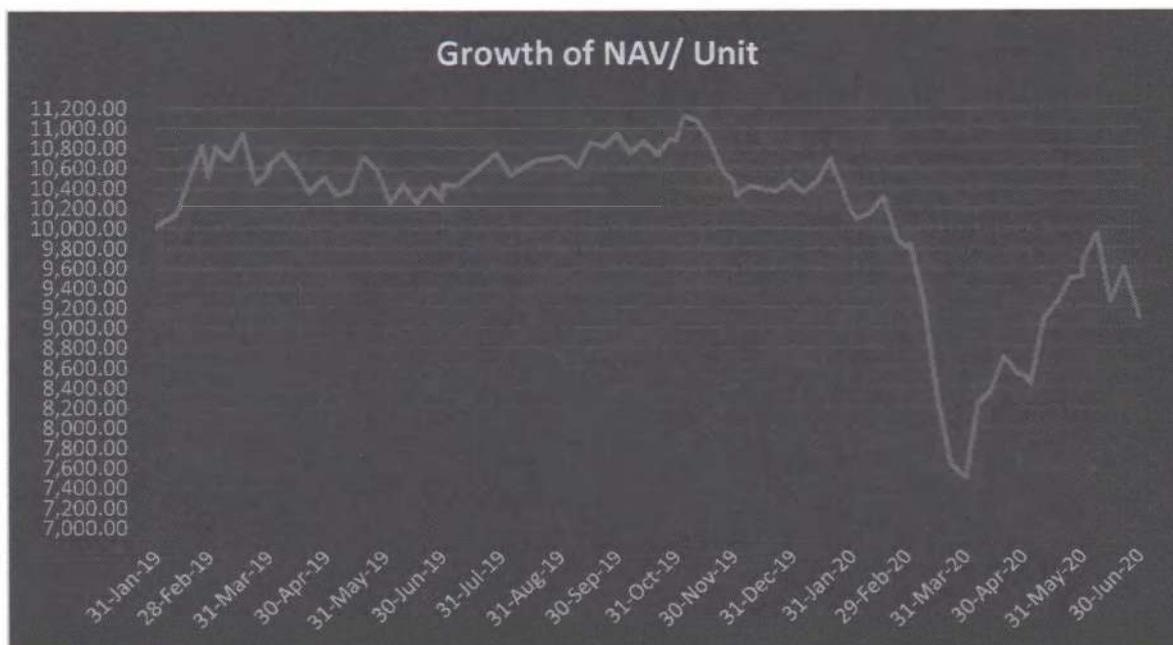
Indicators	1 year to the reporting date (%)	Last 3 years to the reporting date (%)	From establishment date to the reporting date (%)
Total growth rate per Fund unit (*)	-11.53%	Not applicable	-9.05%
Capital growth rate per Fund unit (Change due to price fluctuation) (*)	-6.77%	Not applicable	-6.79%
Income growth rate per Fund unit (Based on realised profits) (*)	-9.63%	Not applicable	-18.33%
Annual growth rate per Fund unit	-11.53%	Not applicable	Nil
Growth rate of structured portfolio (**)	Not applicable	Not applicable	Nil
Changes in market value per Fund unit (***)	Not applicable	Not applicable	Nil

(*) The growth rate compared to the par value of Fund unit at the initial capital contribution (par value of VND10,000 per Fund unit).

(**) The Fund does not have structured portfolio.

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

- Chart of the Fund's monthly growth of net asset value per Fund unit from the establishment date to 30 June 2020



DFVN Capital Appreciation Fund
Report of the Fund Management Company (continued)

• Change in net asset value:

Indicators	30/6/2020 VND	31/12/2019 VND	Change rate %
A	1	2	$3 = ((1) - (2)) / (2)$
Net asset value (NAV) of the Fund	72,524,507,896	80,870,153,926	-10.32%
Net asset value per Fund unit	9,094.67	10,438.11	-12.87%

During the period from 31 December 2019 to 30 June 2020, the Fund's net asset value (NAV) per fund unit decreased as the stock market decreased.

4.2. Summary of investors holding Fund units as at 30/6/2020

Holding scale (Units)	Number of Fund Unitholders	Number of Fund units holding	Percentage of holding
A	1	2	3
Under 5,000	260	314,777.72	3.95%
From 5,000 to lower than 10,000	20	129,155.07	1.62%
From 10,000 to lower than 50,000	20	330,087.14	4.14%
From 50,000 to lower than 500,000	2	200,375.46	2.51%
From 500,000	1	7,000,000.00	87.78%
Total	303	7,974,395.39	100.00%

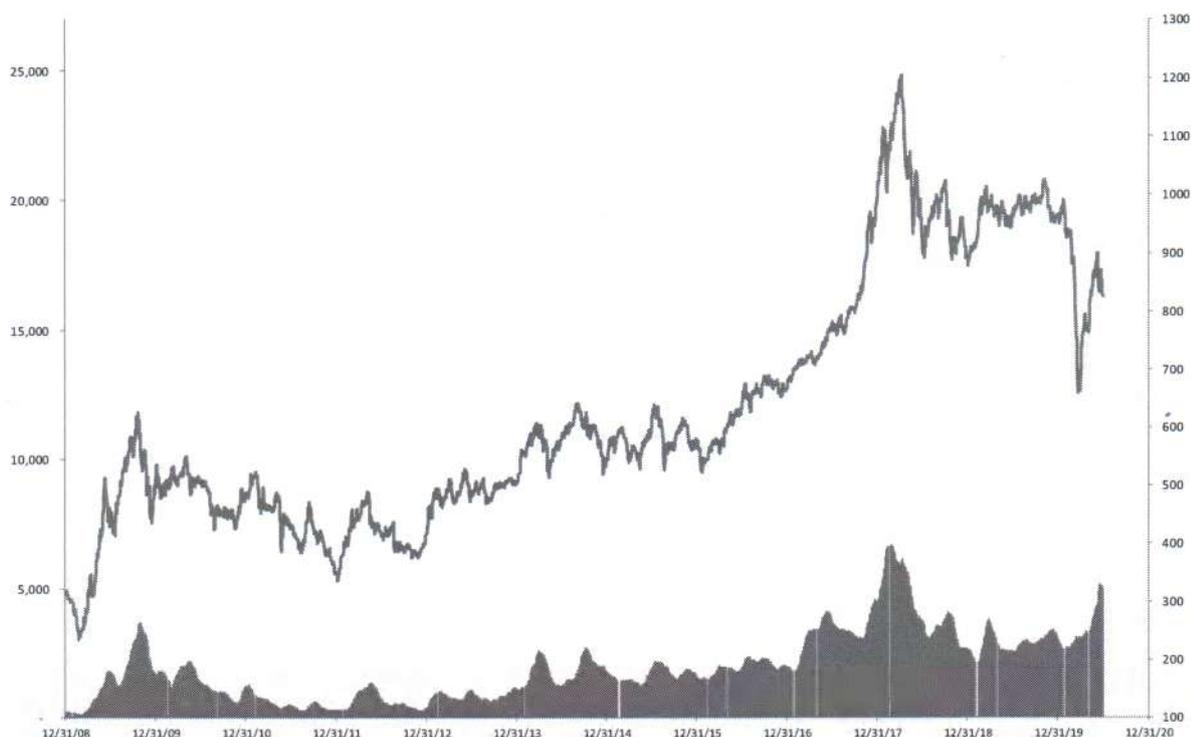
4.3 Hidden costs and discounts

The Fund did not incur any hidden costs. All costs of the Fund are specified in the Fund's Charter and the Prospectus.

DFVN Capital Appreciation Fund Report of the Fund Management Company (continued)

V. Market prospects

The chart below shows the VN-index movement (blue wire) and transaction value (red column).



As above mentioned, a catastrophe event regarding to pandemic is causing the severe impact to the market leading VN-index to plunge over 31% during 1Q2020, which is the biggest crash since global crisis 2008, before recovered by 25% in 2Q2020; sum up, VN-Index suffered a loss by over 14% in the first half of 2020. Look back in the past, there were a series of historical events that caused negative impacts to equity market such as SARS in period 2002-2003, great depression in 2007-2008, EU debt crisis in 2010, East sea dispute in 2014, etc. Generally, these historical events had caused negative impacts to the market but mostly in short term comparing to the whole and long term progress of securities market development. Accordingly, once Covid-19 signaled a pick, then social distance program would be gradually ceased and business activities would be restarted.

According to the evaluation of many local and foreign economic and investment experts, Vietnam stock market is still an attractive investment channel for foreign investors and becomes a true financial source for the economy. Many assessments show that the market has become attractive after a crash in 1Q2020 or an accumulated loss over 14% in the first 6M2020. Some key points to reinforce the gaining trend for stock market as follows:

- For macroeconomic environment: Vietnam is evaluated as stable development as expressed in terms of GDP growth, credit, interest rates, inflation, exchange rates, FDI attraction, PMI... as analyzed above. Therefore, Vietnam's economy is entering their period of recovery and development with a new cycle of economic development.

DFVN Capital Appreciation Fund
Report of the Fund Management Company (continued)

- For evaluation of stock market: there is a cheaper pricing and more attractive returns than regional markets (Price earnings ratio PER is reasonable while return over equity 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 during the years 2017-2019.

In addition; there are events, catalyst factors to create growth momentum for the stock market such as (i) increase room for foreign investors; (ii) promote equitization and listing SOEs as well as bankers' shares by 2020; (iii) prospects for upgrading the Vietnam securities market (MSCI Emerging Market); (iv) actively promote 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. In addition, the risk of Covid-19 pandemic impacting to global security and economy, and still there the potential risks which shall be take into account include trade dispute among America-China and other countries the continuing deepening of China's economic and including CNY depreciation significantly, political turmoil in the United States, Italy, and the European region that make affect the stability of the VND as well as the possibility of causing unpredictable changes of foreign indirect investment inflows into the Vietnam stock market.

Therefore, with the basic quatitative factors combined with qualitative factors as analyzed above, the Vietnam stock market in the coming time will still have 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; certainly, a bright picture much depends on how stable and safety macro environment and Covid-19 pandemic being restrained upcoming time.

VI. Other information

1. Executive Board of Fund Management Company

Name	Position	Qualification and working experience
Mr Tran Chau Danh	Chief Executive Officer cum Chief Investment Officer	<p>Qualification</p> <ul style="list-style-type: none"> - Bachelor of International Trade, Foreign Trade University HCMC Campus - Bachelor of Banking, Banking University HCM - Master of Development Economics, Vietnam – Netherlands Project for MA in Development Economics - CFA International Financial Analyst (Chartered Financial Analyst) - Stock Market Technical Analyst (CMT) - Fund Management License issued by State Securities Commission.

DFVN Capital Appreciation Fund
Report of the Fund Management Company (continued)

Name	Position	Qualification and working experience
		<p>Working experience</p> <p>Mr. Danh has about twenty (20) years of experience in investment, fund management and portfolio management. He has been involved in the Vietnam Stock Market since the market was established.</p> <p>Before joining the Company, Mr. Danh worked for as the Deputy General Director of Investment and being in charge of investment activities and asset-liability management since 2011.</p> <p>Before joining Dai-ichi Life Insurance Company of Vietnam Limited, Mr. Danh held senior positions in both local and international fund management companies. Especially, Mr. Danh has more than seven (7) years of experience in Eastspring Investments Fund Management Limited Liability Company (previously named Prudential).</p>
Mr Masafumi Takeshita	Corporate Planning and Risk Management Assistant Director	<p>Qualification</p> <ul style="list-style-type: none"> - Master of Economics, Hitotsubashi University, Japan - CMA level 2, Securities Analysts Association of Japan (SAAJ). <p>Working experience</p> <p>Mr. Takeshita has about ten (10) years of experience working and researching in the field of finance, insurance and investment in foreign finance market.</p> <p>Prior to joining Dai-ichi Life Vietnam Fund Management Company Limited, Mr. Takeshita had more than four (4) years of experience in the senior position in charge of credit activities at Dai-ichi Life Insurance Company of Japan, one of the leading and reputable insurance companies in Japan, headquartered in Tokyo.</p> <p>Previously, Mr. Takeshita had time working at the analytical department of Mizuho Bank – Singapore Branch.</p>
Mr Dang Vi Thanh	Member of Management Executives holding title of Assistant Director, Head of Business Development	<p>Qualification</p> <ul style="list-style-type: none"> - Bachelor of Commerce Economics, HCMC University of Economics - Bachelor of English, HCMC Open University - Certificate of Fellowship, Life Management Institute (FLMI) - Fund Management License issued by State Securities Commission.

**DFVN Capital Appreciation Fund
Report of the Fund Management Company (continued)**

Name	Position	Qualification and working experience
		<p>Working experience</p> <p>Mr. Thanh has about fifteen (15) years of experience in finance, insurance, fund management including 10 years in management positions at leading fund management companies in Vietnam.</p> <p>Prior to joining Dai-ichi Life Vietnam Fund Management Company Limited, Mr. Thanh 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).</p> <p>Mr. Thanh has deep knowledge in the open-ended fund market and contributes to the development of the open-ended fund market in Vietnam.</p>
Mr. Doan Cong Dat	Head of Internal Control	<p>Qualification</p> <ul style="list-style-type: none"> - Bachelor of Accounting Audit, HCMC University of Economics; - Bachelor of Law, University of Economics and Law; - Bachelor of English, University of Social Sciences and Humanities; - CIA (Certified Internal Auditor) Certificate by the Institute of Internal Auditors (IIA). <p>Working experience</p> <p>Mr. Dat has about twelve (12) years of experience in finance, insurance and has held the management positions in the sector of legal, compliance and internal audit.</p> <p>Prior to joining the Company, Mr. Dat was the Head of Compliance at big companies such as Herballife Vietnam, Pfizer Vietnam, Shell Vietnam, Prudential Vietnam and he was the Head of Internal Audit at Manulife Vietnam.</p>

**DFVN Capital Appreciation Fund
Report of the Fund Management Company (continued)**

2. Human Resource operating the Fund

Name	Position	Qualification and working experience
Mr Dang Nguyen Truong Tai	Investment Assistant Director	<p>Qualification</p> <ul style="list-style-type: none"> - Bachelor of Economics, HCMC University of Economics - Master of Graduate Program Management of UQAM (University of Quebec at Montreal, Canada) - The CFO of PACE cooperating with the American Academy of Financial Administration AAFM - Fund Management License issued by State Securities Commission. <p>Working experience</p> <p>Mr. Tai has about fifteen (15) years of working in the sector of investment, finance and banking, in which about ten (10) years of holding positions in charge of equity investment in companies including Nhan Viet Fund Management Company, Dai-ichi Life Insurance Company of Vietnam Limited and Dai-ichi Life Vietnam Fund Management Company Limited.</p>
Ms Tran Thi Anh Tram	Operation Manager	<p>Qualification</p> <ul style="list-style-type: none"> - Bachelor of Law, HCMC University of Law - Bachelor of Accounting – Audit, Van Lang University - Fund Management License issued by State Securities Commission. <p>Working experience</p> <p>Ms. Tram has over twelve (12) years of experience working in finance, investment and accounting, including ten (10) years working in asset management and in charge of Investment Operation at Dai-ichi Life Vietnam Fund Management Company Limited and Dai-ichi Life Insurance Company of Vietnam Limited.</p>

DFVN Capital Appreciation Fund
Report of the Fund Management Company (continued)

3. Board of Representatives

Name	Position	Qualification and working experience
Mr Do Hung Viet	Chairman	<p>Mr. Viet has more than twenty (20) years of experience in managerial positions in field of finance, securities and investment.</p> <p>Mr. Viet is currently 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).</p>
Mr Huynh Van Dung	Member	<p>Mr. Dung has more than twenty (20) years of experience working in the major of auditing and professional services in the field of auditing.</p> <p>Mr. Dung 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.</p> <p>Mr. Dung 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).</p>
Mr Nguyen Gia Huy Chuong	Member	<p>Mr. Chuong has about twenty (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.</p> <p>Currently, Mr. Chuong acts as the Managing Partner of Global Vietnam Lawyers Law Company Ltd. (GV Lawyers), an international law firm lately established by a group of dedicated and experienced lawyers who have started and advanced their career with the most prominent law firms in Vietnam, the latest one in the list being Phuoc & Partners Law Company Ltd.. Mr. Chuong has more than 10 consecutive years acting as the director and Managing Partner of Phuoc & Partners Law Company Ltd.</p> <p>Mr. Chuong 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.</p>

DFVN Capital Appreciation Fund
Report of the Fund Management Company (continued)

On behalf of the Management of Dai-ichi Life Vietnam Fund Management Company Limited



Ho Chi Minh City, 10 August 2020

**DFVN Capital Appreciation Fund
Report of the Supervising Bank**

REPORT OF THE SUPERVISING BANK

Acting as the Supervisory Bank of DFVN Capital Appreciation Fund (“the Fund” or DFVN-CAF”) for the six-month period ended 30 June 2020, we have realized some matters relating to the operations of DFVN-CAF 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 regulatory documents about open-ended fund, Fund’s Charter, applicable laws and regulations.
- b) Net asset value of the Fund is determined in line with Fund’s Charter, Prospectus and applicable laws and regulations.
- c) Subscription and redemption of Fund units complied with Fund’s Charter, Prospectus and applicable laws and regulations.
- d) No matters relate to the profit distribution of the Fund for reported period .
- e) DFVN complied with loan restrictions, trading restrictions which are stated in prevailing regulatory documents about open-ended fund, Fund’s Charter and applicable laws and regulations.

10th August 2020

Representatives of the Supervisory Bank - HSBC Securities Services

HSBC Bank (Vietnam) Ltd.



Ms. Ninh Thi Tue Minh
Vice President, Head of Fund Services

Mr. Vo Tu Chuong
Vice President, Operations, Hss Service

**DFVN Capital Appreciation Fund
Report of the Supervising Bank**



KPMG Limited Branch
10th Floor, Sun Wah Tower
115 Nguyen Hue Street, Ben Nghe Ward
District 1, Ho Chi Minh City, Vietnam
+84 (28) 3821 9266 | kpmg.com.vn

INTERIM FINANCIAL STATEMENTS REVIEW REPORT

To the Fund's Unitholders DFVN Capital Appreciation Fund

We have reviewed the accompanying interim financial statements of DFVN Capital Appreciation Fund ("the Fund"), which comprise the statements of financial position and investment portfolio as at 30 June 2020, the statements of income, changes in Net Assets, Fund units transactions and cash flows for the six-month period ended 30 June 2020 and the explanatory notes thereto which were authorised for issue by the Board of Representatives on 10 August 2020, as set out on pages 22 to 65.

The Fund Management Company's Responsibility

The Management of Dai-ichi Life Vietnam Fund Management Company Limited ("the Fund Management Company") is responsible for the preparation and fair presentation of these interim financial statements in accordance with Vietnamese Accounting Standards, Circular No. 198/2012/TT-BTC dated 15 November 2012 issued by the Ministry of Finance on the promulgation of accounting system for open-ended funds, the relevant requirements of Circular No. 183/2011/TT-BTC ("Circular 183") dated 16 December 2011 issued by the Ministry of Finance on the promulgation of guidance on establishment and management of open-ended funds and of Circular No. 15/2016/TT-BTC dated 20 January 2016 issued by the Ministry of Finance amending and supplementing certain articles of Circular 183 and the other relevant statutory requirements applicable to interim financial reporting, and for such internal control as the Management of the Fund Management Company determines is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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



Auditor's Conclusion

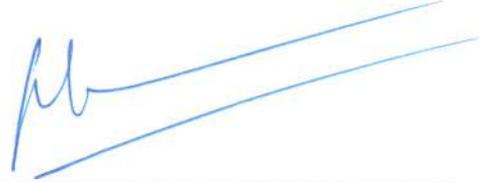
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view, in all material respects, of the financial position of DFVN Capital Appreciation Fund as at 30 June 2020 and of its results of operations and its cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Circular No. 198/2012/TT-BTC dated 15 November 2012 issued by the Ministry of Finance on the promulgation of accounting system for open-ended funds, the relevant requirements of Circular No. 183/2011/TT-BTC dated 16 December 2011 issued by the Ministry of Finance on the promulgation of guidance on establishment and management of open-ended funds and of Circular No. 15/2016/TT-BTC dated 20 January 2016 issued by the Ministry of Finance amending and supplementing certain articles of Circular 183 and the other relevant statutory requirements applicable to interim financial reporting.

KPMG Limited's Branch in Ho Chi Minh City
Vietnam

Review Report No.: 20-01-00321-20-1




Chong Kwang Puay
Practicing Auditor Registration
Certificate No. 0864-2018-007-1
Deputy General Director


Truong Vinh Phuc
Practicing Auditor Registration
Certificate No. 1901-2018-007-1

Ho Chi Minh City, 10 August 2020

DFVN Capital Appreciation Fund
Statement of income for the six-month period ended 30 June 2020

Form B01g – QM
*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

No.	Items	Code	Note	Six-month period ended 30/6/2020 VND	Period from 3/1/2019 to 30/6/2019 VND
I	INCOME, REVENUE FROM INVESTMENT ACTIVITIES	01		(9,121,925,158)	3,366,072,025
1.1	Dividend income	02	11	429,505,807	816,202,000
1.3	(Losses)/gains from trading securities	04	12	(3,801,222,441)	666,911,831
1.4	Net unrealised (losses)/gains from revaluation of investments	05	13	(5,753,775,759)	1,863,714,169
1.5	Other income	06		3,567,235	19,244,025
II	INVESTMENT EXPENSES	10		229,446,276	246,874,088
2.1	Expenses for purchases and sales of investments	11	14	229,446,276	246,874,088
III	OPERATING EXPENSES	20		1,089,264,723	1,092,672,576
3.1	Management fee	20.1	19	545,052,533	585,180,965
3.2	Custody fee	20.2	15	175,131,146	160,809,585
3.3	Supervising fee	20.3	19	46,200,000	45,703,226
3.4	Fund administration fee	20.4	19	72,600,003	71,819,357
3.5	Transfer agent service fee	20.5	19	88,278,546	150,235,673
3.8	Audit fee	20.8		71,109,294	-
3.10	Other operating expenses	20.10	16	90,893,201	78,923,770
IV	INVESTMENT AND OPERATING RESULTS (23 = 01 – 10 – 20)	23		(10,440,636,157)	2,026,525,361
VI	ACCOUNTING (LOSS)/PROFIT BEFORE TAX (30 = 23)	30	10	(10,440,636,157)	2,026,525,361
6.1	Realised (losses)/profits	31		(4,686,860,398)	162,811,192
6.2	Unrealised (losses)/profits	32		(5,753,775,759)	1,863,714,169
VII	NET (LOSS)/PROFIT AFTER TAX (41 = 30)	41		(10,440,636,157)	2,026,525,361

10 August 2020

Dai-ichi Life Vietnam Fund Management Company Limited

Prepared by:



Ms. Tran Thi Anh Tram
Operation Manager

Approved by:



Mr. Tran Chau Danh
Chief Executive Officer

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

DFVN Capital Appreciation Fund
Statement of financial position as at 30 June 2020

Form B02g – QM
(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)

No.	Items	Code	Note	30/6/2020 VND	31/12/2019 VND
I ASSETS					
1	Cash in banks and cash equivalents	110	4	6,373,903,959	6,924,362,986
1.1	Cash in banks for the operating activities of the Fund	111		6,373,903,959	6,924,362,986
2	Net investments	120		62,092,983,500	77,462,612,500
2.1	Investments in securities	121	5	62,092,983,500	77,462,612,500
3	Receivables	130		4,747,839,747	358,328,050
3.1	Receivables from disposals of investments	131	6	4,677,339,747	181,028,050
3.2	Interest and dividends receivables	133		70,500,000	177,300,000
3.2.1	Accrued interest and dividends receivables	136	11	70,500,000	177,300,000
TOTAL ASSETS (100 = 110 + 120 + 130)				73,214,727,206	84,745,303,536
II LIABILITIES					
2	Payable for investments purchases	312	7	264,896,750	3,571,248,850
3	Payable to distribution agents	313		-	80,000
4	Taxes and others payable to State Treasury	314		49,991	164,944
6	Accrued expenses	316		116,109,295	133,000,000
7	Advances from Fund Unitholders for Fund units subscription	317		151,100,000	1,000,000
8	Payables to Fund Unitholders for Fund units redemption	318		-	5,176,723
9	Fund management service fees payable	319	8	158,063,274	164,479,093
TOTAL LIABILITIES (300 = 312 + 313 + 314 + 316 + 317+ 318 + 319)				690,219,310	3,875,149,610

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

DFVN Capital Appreciation Fund
Statement of financial position as at 30 June 2020 (continued)

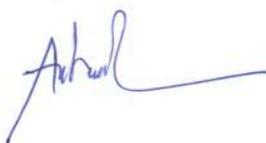
Form B02g – QM
(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)

No.	Items	Code	Note	30/6/2020 VND	31/12/2019 VND
III	NET ASSET VALUE DISTRIBUTABLE TO FUND UNITHOLDERS (400 = 100 - 300)	400		72,524,507,896	80,870,153,926
1	Share capital	411	9	79,743,953,900	77,475,804,900
1.1	Subscription capital	412		82,419,349,400	79,704,558,900
1.2	Redemption capital	413		(2,675,395,500)	(2,228,754,000)
2	Share premium	414	9	(12,375,051)	160,783,822
3	(Accumulated losses)/retained earnings	420	10	(7,207,070,953)	3,233,565,204
IV	NET ASSET VALUE PER FUND UNIT (430 = 400/004)	430	9	9,094.67	10,438.11
<hr/>					
VI	OFF-BALANCE SHEET ITEMS				
4	Number of Fund units in circulation	004	9, 18	7,974,395.39	7,747,580.49
<hr/>					

10 August 2020

Dai-ichi Life Vietnam Fund Management Company Limited

Prepared by:



Ms. Tran Thi Anh Tram
Operation Manager

Approved by:



Mr. Tran Chau Danh
Chief Executive Officer

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

DFVN Capital Appreciation Fund
Statement of changes in Net assets, Fund units transactions for the six-month period
ended 30 June 20

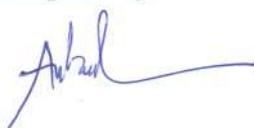
Form B03g – QM
(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)

No.	Items	Six-month period ended 30/6/2020 VND	Period from 3/1/2019 to 30/6/2019 VND
I	Net Asset Value (“NAV”) at the beginning of the period	80,870,153,926	-
II	Changes in NAV during the period	(10,440,636,157)	2,026,525,361
	<i>In which:</i>		
II.1	Changes in NAV arising from market fluctuation and the Fund’s operating activities during the period	(10,440,636,157)	2,026,525,361
III	Changes in NAV due to redemption and subscription of Fund units	2,094,990,127	76,991,984,168
	<i>In which:</i>		
III.1	Proceeds from Fund units subscription	2,536,217,100	77,973,638,773
III.2	Payments for Fund units redemption	(441,226,973)	(981,654,605)
IV	Net Asset Value at the end of the period (IV = I + II + III)	72,524,507,896	79,018,509,529

10 August 2020

Dai-ichi Life Vietnam Fund Management Company Limited

Prepared by:



Ms. Tran Thi Anh Tram
Operation Manager

Approved by:



Mr. Tran Chau Danh
Chief Executive Officer

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

DFVN Capital Appreciation Fund
Statement of investment portfolio as at 30 June 2020

Form B04g – QM
*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

No.	Items	Number of shares	Market price as at 30/6/2020 VND/share	Total value as at 30/6/2020 VND	Percentage of the Fund's total assets %
I	Listed shares	2,183,583		62,092,983,500	84.80%
1	ACB	150,000	22,800	3,420,000,000	4.67%
2	BID	80,000	37,900	3,032,000,000	4.14%
3	BMP	8,000	51,900	415,200,000	0.57%
4	CTD	6,000	69,600	417,600,000	0.57%
5	CTG	110,000	21,550	2,370,500,000	3.24%
6	DCM	94,000	8,520	800,880,000	1.09%
7	DPM	90,000	14,000	1,260,000,000	1.72%
8	DRC	10,000	17,800	178,000,000	0.24%
9	DXG	20,000	11,200	224,000,000	0.31%
10	EIB	30,000	17,800	534,000,000	0.73%
11	FCN	39,000	9,800	382,200,000	0.52%
12	FPT	67,000	45,650	3,058,550,000	4.18%
13	GAS	26,000	69,000	1,794,000,000	2.45%
14	GMD	25,000	18,600	465,000,000	0.64%
15	GVR	100,000	11,000	1,100,000,000	1.50%
16	HBC	32,000	9,700	310,400,000	0.42%
17	HCM	9,000	18,350	165,150,000	0.23%
18	HDB	41,000	24,800	1,016,800,000	1.39%
19	HPG	84,000	26,800	2,251,200,000	3.07%
20	HSG	40,000	11,450	458,000,000	0.63%
21	KDH	32,000	23,200	742,400,000	1.01%
22	MBB	125,000	16,600	2,075,000,000	2.83%
23	MSN	30,000	54,100	1,623,000,000	2.22%
24	MWG	27,000	80,800	2,181,600,000	2.98%
25	NLG	10,033	24,500	245,808,500	0.34%
26	NT2	52,000	21,100	1,097,200,000	1.50%
27	NVL	7,000	61,500	430,500,000	0.59%
28	PC1	14,000	16,750	234,500,000	0.32%
29	PDR	15,000	24,100	361,500,000	0.49%
30	PHR	10,500	49,700	521,850,000	0.71%
31	PLX	16,650	44,500	740,925,000	1.01%
32	PNJ	18,000	57,400	1,033,200,000	1.41%
33	PPC	15,000	24,050	360,750,000	0.49%
34	PVT	35,000	10,600	371,000,000	0.51%
35	REE	37,000	30,650	1,134,050,000	1.55%
36	SAB	9,200	157,000	1,444,400,000	1.97%
37	SSI	15,000	14,800	222,000,000	0.30%
38	STB	193,000	10,750	2,074,750,000	2.83%
39	TCB	86,000	19,550	1,681,300,000	2.30%
40	TCH	9,000	21,300	191,700,000	0.26%
41	TPB	39,000	20,600	803,400,000	1.10%
42	VCB	65,000	80,300	5,219,500,000	7.13%
43	VHC	10,200	35,100	358,020,000	0.49%
44	VHM	30,000	75,500	2,265,000,000	3.09%

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

DFVN Capital Appreciation Fund
Statement of investment portfolio as at 30 June 2020 (continued)

Form B04g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

No.	Items	Number of shares	Market price as at 30/6/2020 VND/share	Total value as at 30/6/2020 VND	Percentage of the Fund's total assets %
45	VIC	31,000	89,000	2,759,000,000	3.77%
46	VND	20,000	13,150	263,000,000	0.36%
47	VNM	47,000	112,700	5,296,900,000	7.23%
48	VPB	97,000	20,450	1,983,650,000	2.71%
49	VSC	27,000	26,800	723,600,000	0.99%
V	Other assets			4,747,839,747	6.49%
1	Interest and dividends receivables			70,500,000	0.10%
2	Receivables from disposals of investments			4,677,339,747	6.39%
VI	Cash in banks and cash equivalents			6,373,903,959	8.71%
1	Cash in banks for the operating activities of the Fund			6,373,903,959	8.71%
VII	Total investment portfolio			73,214,727,206	100.00%

10 August 2020

Dai-ichi Life Vietnam Fund Management Company Limited

Prepared by:



Ms. Tran Thi Anh Tram
Operation Manager

Approved by:



Mr. Tran Chau Danh
Chief Executive Officer

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

DFVN Capital Appreciation Fund
Statement of cash flows for the six-month period ended 30 June 2020 (Indirect method)
Form B05g – QM
(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)

Items	Code	Note	Six-month period ended 30/6/2020 VND	Period from 3/1/2019 to 30/6/2019 VND
I. CASH FLOWS FROM INVESTING ACTIVITIES				
1. (Loss)/profit before tax	01		(10,440,636,157)	2,026,525,361
2. Adjustments for decreases in net asset value resulted from investing activities	02		5,736,885,054	(1,863,714,169)
Net unrealised losses from revaluation of investments	03		5,753,775,759	(1,863,714,169)
Decrease in accrued expenses	04		(16,890,705)	-
3. Investing (loss)/profit before changes in working capital	05		(4,703,751,103)	162,811,192
Decrease/(increase) in investments in securities	20		9,615,853,241	(71,198,491,831)
Increase in receivables from disposals of investments	06		(4,496,311,697)	(758,760,150)
Decrease/(increase) in interest and dividends receivables	07		106,800,000	(18,792,000)
Decrease in payables for investments purchases	10		(3,306,352,100)	-
(Decrease)/increase in payables to distribution agents	11		(80,000)	40,000
(Decrease)/increase in taxes and others payable to State Treasury	13		(114,953)	262,663
Increase in advances from Fund Unitholders for Fund units subscription	14		150,100,000	134,550,000
(Decrease)/increase in payable to Fund Unitholders for Fund units redemption	15		(5,176,723)	71,660,781
Increase in other payables	16		-	45,000,001
(Decrease)/increase in Fund management service fees payable	17		(6,415,819)	159,886,209
Net cash flows from investing activities	19		(2,645,449,154)	(71,401,833,135)
II. CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from Fund units subscription	31	9	2,536,217,100	77,973,638,773
Payments for Fund units redemption	32	9	(441,226,973)	(981,654,605)
Net cash flows from financing activities	30		2,094,990,127	76,991,984,168
III. NET (DECREASE)/INCREASE IN CASH DURING THE PERIOD (40 = 19 + 30)	40		(550,459,027)	5,590,151,033

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

DFVN Capital Appreciation Fund
Statement of cash flows for the six-month period ended 30 June 2020 (Indirect method
– continued)

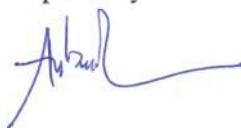
Form B05g – QM
(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)

Items	Code	Note	Six-month period ended 30/6/2020 VND	Period from 3/1/2019 to 30/6/2019 VND
IV. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	50		6,924,362,986	-
Cash in banks			6,924,362,986	-
- Cash in banks for the operating activities of the Fund			6,923,362,986	-
- Subscription amount of Fund Unitholders			1,000,000	-
V. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	55	4	6,373,903,959	5,590,151,033
Cash in banks	56		6,373,903,959	5,590,151,033
- Cash in banks for the operating activities of the Fund	57		6,222,803,959	5,455,601,033
- Subscription amount of Fund Unitholders	58		151,100,000	134,550,000
VI. CHANGE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD (60 = 55 – 50)	60		(550,459,027)	5,590,151,033

10 August 2020

Dai-ichi Life Vietnam Fund Management Company Limited

Prepared by:



Ms. Tran Thi Anh Tram
 Operation Manager

Approved by:



Mr. Tran Chau Danh
 Chief Executive Officer

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

DFVN Capital Appreciation Fund

Notes to the interim financial statements for the six-month period ended 30 June 2020

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

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

1. Reporting entity

DFVN Capital Appreciation Fund (“the Fund”) was established as a public open-ended fund on 3 January 2019 under Establishment Registration Certificate for Open-ended Fund No. 34/GCN-UBCK (“the ERC”) issued by the State Securities Commission. The charter capital of the Fund as stipulated in the ERC is VND75,121,600,000 equivalent to 7,512,160.00 Fund units (par value of VND10,000 per Fund unit). The Fund operates in compliance with the Fund’s Charter issued on 3 January 2019. The Fund has no limitation on operation period.

The Fund units were issued to the public for the first time under Initial Public Offering Certificate No. 56/GCN-UBCK dated 16 October 2018 issued by the State Securities Commission. According to this certificate, the Fund is authorised to issue minimum 5,000,000.00 Fund units to the public with par value of VND10,000 per Fund unit.

The objective of the Fund is to seek appreciation in capital and Investor's assets, striving to outperform the growth of Vietnam Stock Market (VN-Index) in the long term, by investing mainly in stocks listed on Vietnam Stock Market.

The structure of the Fund’s investment portfolio must contain at least shares of six (06) issuing organisations, and must ensure it simultaneously meets the following criteria:

- (a) Except for current accounts of the Fund at the supervising bank, the Fund is not allowed to invest more than 49% of its total assets in deposits at commercial banks as stipulated by banking law; foreign currencies, money market instruments including valuable papers and transferable instruments in accordance with relevant laws and regulation;
- (b) The Fund is not allowed to invest more than 30% of its total assets in the following assets: deposits at commercial banks as stipulated by banking law; foreign currencies, money market instruments including valuable papers and transferable instruments in accordance with relevant laws and regulations; listed shares, registered shares, and listed bonds of issuing organisation operating under Vietnam laws; shares, bonds to be listed or registered by the issuing organisation operating under Vietnam laws; corporate bonds issued by listed organisations which are guaranteed for payment by credit institutions or committed to repurchase by issuing organisations; listed and registered derivatives on Stock Exchanges, solely used for hedging purpose and issued by a single issuing company or by a group of related companies, in which the investment in derivatives is the contractual value as defined in accordance with the Fund’s Charter and in the Appendix 13 issued with Circular No. 183/2011/TT-BTC dated 16 December 2011 of the Ministry of Finance on providing guidance on establishment and management of open-ended funds;

DFVN Capital Appreciation Fund

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

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

- (c) The Fund is not allowed to invest more than 20% of its total assets in securities of a single issuing organisation, including valuable papers, transferable instruments, bonds (except for government bonds), shares with or without voting rights, convertible bonds;
- (d) The Fund is not allowed to invest in securities issued by a single organisation which accounts for more than 10% of total securities in circulation of that organisation, except for government bonds;
- (e) The Fund is not allowed to invest more than 10% of its total assets in shares, bonds to be listed or registered for trading by issuing organisations operating under Vietnam laws; corporate bonds issued by listed organisations which are guaranteed for payment by credit institutions or committed to repurchase by issuing organisations;
- (f) Total value of significant investments in the Fund's investment portfolio must not exceed 40% of its total assets value;
- (g) At any time, total commitment value of derivatives transactions, outstanding loans and payables of the Fund must not exceed its Net Asset Value;
- (h) The Fund is not allowed to invest in investment funds, shares of securities investment companies established and operating in Vietnam; and
- (i) The Fund is not allowed to invest directly in real estates, precious stones, rare metals.

According to Circular No.15/2016/TT-BTC issued by the Ministry of Finance dated 20 January 2016 amending and supplementing certain articles of Circular No. 183/2011/TT-BTC issued by the Ministry of Finance dated 16 December 2011 providing guidance on establishment and management of open-ended funds, except for those cases referred in points (g), (h) and (i) as above, the structure of investment portfolio of the Fund is allowed to be deviated due to the following objective causes:

- Changes in market prices of the Fund's investment portfolio;
- Making legitimate payments of the Fund;
- Executing trading orders of investors;
- Consolidation and merger of issuing organisations;
- The fact that the Fund has just been licensed, or splitted, consolidated, merged but the duration of operation shall not exceed six (6) months from the date of the Establishment Registration Certificate; and
- The fact that the Fund is in the process of dissolution.

Net asset value of the Fund is determined weekly and monthly basis. The valuation date is Tuesday for weekly valuation and the first business date of the next month for monthly valuation. If the valuation day falls on a holiday of the Vietnam Stock Market, or the date of suspension of trading at the Stock Exchange under a decision of a competent State agency (this case depends on the decision of the Fund Management Company), the Fund's valuation day will be transferred to Tuesday (working day) of the following week.

The Fund has no employee and is managed by Dai-ichi Life Vietnam Fund Management Company Limited, a fund management company incorporated in Vietnam, and is supervised by HSBC Bank (Vietnam) Ltd, the Supervising Bank.

Contact address of the Fund is Floor 11th, 149-151 Nguyen Van Troi, Ward 11, Phu Nhuan District, Ho Chi Minh City.

DFVN Capital Appreciation Fund

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

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

2. Basis of preparation

(a) Statement of compliance

The interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, Circular No. 198/2012/TT-BTC (“Circular 198”) dated 15 November 2012 issued by the Ministry of Finance on the promulgation of accounting system for open-ended funds, the relevant requirements of Circular No. 183/2011/TT-BTC (“Circular 183”) dated 16 December 2011 issued by the Ministry of Finance on the promulgation of guidance on establishment and management of open-ended funds and of Circular No. 15/2016/TT-BTC (“Circular 15”) dated 20 January 2016 issued by the Ministry of Finance amending and supplementing certain articles of Circular 183 and the other relevant statutory requirements applicable to interim financial reporting.

The accompanying interim financial statements are not intended to present the financial position, the results of operations and cash flows of the Fund in accordance with accounting principles and practices generally accepted in other countries and other jurisdictions outside Vietnam. The accounting principles and practices applicable in Vietnam may be different with those in other countries and other jurisdictions.

In accordance with Circular 198, the Fund’s interim financial statements include the following reports:

▪ Statement of income;	Form B01g-QM;
▪ Statement of financial position;	Form B02g-QM;
▪ Statement of changes in Net Assets, Fund units transactions;	Form B03g-QM;
▪ Statement of investment portfolio;	Form B04g-QM;
▪ Statement of cash flows;	Form B05g-QM; and
▪ Notes to the interim financial statements	Form B06g-QM.

(b) Basis of measurement

The interim financial statements of the Fund, except for the statement of cash flows and items as described in Note 3(b), are prepared on the accrual basis using historical cost concept. The statement of cash flows is prepared using the indirect method.

(c) Annual accounting period

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

(d) Accounting and presentation currency

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

(e) Accounting documentation system

The registered accounting documentation system of the Fund is the General Journal System.

DFVN Capital Appreciation Fund

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

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

3. Summary of significant accounting policies

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

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

(a) Cash in banks and cash equivalents

Cash in banks and cash equivalents comprise current accounts and term deposits with original term to maturity of not more than three (03) months from the transaction date. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash, and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment purpose or other purposes.

(b) Investments in securities

Investments in securities are initially recognised at cost, which comprises only the purchase price without any attributable transaction costs such as broker fees, transaction fees and bank charges, etc. Subsequent to initial recognition, they are revalued at the end of the accounting period based on the measurement method as described in Note 3(b)(iii). Unrealised gains or losses from revaluation of investments are recorded in the statement of income during the period.

(i) Classification

The Fund classifies its listed securities and unlisted securities which are purchased for trading purposes as trading securities.

(ii) Recognition

The Fund recognises investments in securities at the transaction date.

DFVN Capital Appreciation Fund
Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)

Form B06g – QM
*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

(iii) Measurement

According to Circular 183 and Circular 15, the Fund's investments are revaluated at market price at the end of the accounting period. If there is no market price at the latest trading date or the market prices fluctuate significantly, the Fund is allowed to use fair value to revalue its investments. Fair value is determined in accordance with the principles, methodologies or theoretical valuation models as stipulated in the Fund's Charter, or the Fund's Valuation Manual. The determination of market price of the Fund's investments at the end of accounting period shall be conducted according to the following method:

Bonds

- Listed bonds
 - Market price is quoted price (or other names in accordance with the regulations of the Stock Exchange) for common transactions on the latest trading date prior to the valuation date plus cumulative interest (if quoted price excludes cumulative interest).
 - If there is no transaction more than two (02) weeks prior to the valuation date, the market price is determined in accordance with the following values in order of precedence:
 - + Quoted price (clean price) provided by Bloomberg (VNBF source), plus cumulative accrued interest;
 - + Price of the latest reporting period but not exceed three (03) months prior to valuation date, plus cumulative accrued interest;
 - + Purchase price plus cumulative accrued interest;
 - + Par value plus cumulative accrued interest.
- Unlisted bonds
 - Market price is the average price (clean price) of successful transactions on the latest trading date prior to the valuation date obtained from three (03) securities companies plus cumulative accrued interest.
 - If there is not sufficient quoted prices from three (03) securities companies, market price is determined in accordance with the following values in order of precedence:
 - + Average price (clean price) obtained from two (02) securities companies plus cumulative accrued interest;
 - + Price of the latest reporting period but not exceed three (03) months prior to valuation date, plus cumulative accrued interest;
 - + Purchase price plus cumulative accrued interest;
 - + Par value plus cumulative accrued interest.

Shares

- Shares which are listed on the Ho Chi Minh City Stock Exchange
 - Market price is closing price (or other names in accordance with the regulations of the Stock Exchange) on the trading system at the Stock Exchange on the latest trading date of the securities prior to the valuation date.
 - If there is no transaction in two (02) weeks or more prior to the valuation date, the market price is determined in accordance with the following values in order of precedence:

DFVN Capital Appreciation Fund

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

Form B06g – QM

(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)

- + Closing price (or quoted price) on the trading system of the Stock Exchange on the latest trading date within twelve (12) months prior to the valuation date;
 - + Book value;
 - + Purchase price.
- Shares which are listed on the Hanoi Stock Exchange
 - Market price is closing price (or other names in accordance with the regulations of the Stock Exchange) on the trading system of the Stock Exchange on the latest trading date of the securities prior to the valuation date.
 - If there is no transaction in two (02) weeks or more prior to the valuation date, the market price is determined in accordance with the following values in order of precedence:
 - + Closing price (or quoted price) on the trading system of the Stock Exchange on the latest trading date within twelve (12) months prior to the valuation date;
 - + Book value;
 - + Purchase price.
- Shares of public companies registered for trading on UpCOM
 - Market price is closing price (or other names in accordance with the regulations of the Stock Exchange) on the trading system at the Stock Exchange on the latest trading date of the securities before the valuation date.
 - If there is no transaction in two (02) weeks or more prior to the valuation date, the market price is determined in accordance with the following values in order of precedence:
 - + Closing price (or quoted price) on the trading system of the Stock Exchange on the latest trading date within twelve (12) months prior to the valuation date;
 - + Book value;
 - + Purchase price.
- Shares are registered, custodied, but are not yet listed, not yet registered for trading
 - Market price is the average price of successful transactions on the latest trading date prior to the valuation date obtained from three (03) securities companies.
 - If there is not sufficient quoted prices from three (03) securities companies, the market price is determined in accordance with the following values in order of precedence:
 - + Average price obtained from two (02) securities companies;
 - + Price of the latest reporting period but not exceed three (03) months prior to valuation date, plus cumulative accrued interest;
 - + Book value;
 - + Purchase price.

DFVN Capital Appreciation Fund
Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

- Shares are suspended or delisted or cancelled for trading
The securities are determined in accordance with the following values in order of precedence:
 - + Book value;
 - + Purchase price.
- Shares of organisations in the process of liquidation, bankruptcy
Market price is determined at 80% of the liquidation value at the latest balance sheet date prior to the valuation date.
- Shares, other capital contribution
Market price is determined in accordance with the following values in order of precedence:
 - + Book value;
 - + Purchase price.

Derivatives

- Listed derivatives are revalued at the end of the accounting period at the closing price of latest trading date of the securities prior to the valuation date.
- Listed derivatives which were not transacted in two (2) weeks or more are revalued at the end of the accounting period based on the value determined in accordance with the methodology approved by the Board of Representatives in specific case.

Other assets

Other investment assets are revalued at the end of the accounting period based on the value determined in accordance with the specific methodology approved by the Board of Representatives.

(iv) *Derecognition*

Investments in securities are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Cost of trading securities is determined on a weighted average basis.

(c) *Accounts receivable*

Accounts receivable include receivables from disposals of investments and interest and dividends receivables. Accounts receivable are stated at cost less allowance for doubtful debts.

According to Circular No. 48/2019/TT-BTC dated 8 August 2019 issued by the Ministry of Finance, allowance for doubtful debts is made based on anticipated losses for undue debts which may occur when an economic organisation is bankrupted or liquidated; or debtor is missing, running away, being prosecuted, in prison, under a trial or pending execution of sentences or deceased or based on overdue status of debts at the following allowance rates:

DFVN Capital Appreciation Fund
Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)

Form B06g – QM
(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)

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

Increase/decrease in allowance for doubtful debts is recorded as expense/income in the statement of income during the period, unless allowance for doubtful debts is used to write off debts that was made allowance for and is uncollectible.

(d) Payables

Payables include payables for investments purchases, payable to distribution agent, payables to Fund Unitholders, payables to fund management service providers and other payables. Payables are stated at their cost.

(e) Provisions

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

(f) Classification of financial instruments

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

(i) Financial assets

Financial assets at fair value through profit or loss

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

- It is considered by the Fund as held for trading. A financial asset is considered as held for trading if:
 - it is acquired principally for the purpose of selling it in the near term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).

DFVN Capital Appreciation Fund

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

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

- Upon initial recognition, it is designated by the Fund as at fair value through profit or loss.

Held-to-maturity investments

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

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

Loans and receivables

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

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

Available-for-sale financial assets

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

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

(ii) Financial liabilities

Financial liabilities at fair value through profit or loss

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

- It is considered by the Fund as held for trading. A financial liability is considered as held for trading if:
 - it is incurred principally for the purpose of repurchasing it in the near term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).

DFVN Capital Appreciation Fund
Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)

Form B06g – QM
*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

- Upon initial recognition, it is designated by the Fund as at fair value through profit or loss.

Financial liabilities carried at amortised cost

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

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

(g) Taxation

Under prevailing 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 institutional investors in following transactions:

Distributing dividends to Fund Unitholders

When the Fund distributes dividends to Fund Unitholders, the Fund Management Company is required to comply with prevailing tax regulations on tax withholding and payment.

Fund units redemption transactions

The Fund Management Company is obligated to withhold, declare and pay tax in relation to Fund units redemption transactions from Individual Fund Unitholders (including domestic and foreign) and from foreign Corporate Fund Unitholders in accordance with Circular No. 111/2013/TT-BTC dated 15 August 2013 as supplemented and amended by Circular No. 92/2015/TT-BTC dated 15 June 2015 issued by the Ministry of Finance, Circular No. 25/2018/TT-BTC dated 16 March 2018 (“Circular 25”) and Circular No. 103/2014/TT-BTC dated 6 August 2014 issued by the Ministry of Finance. The applicable tax rate is 0.1% of transfer value. The Fund Management Company does not withhold any tax in relation to Fund units redemption transactions from local institutional investors. They are responsible for self-declaration and payment of related tax to State Treasury in accordance with Circular No. 78/2014/TT-BTC dated 18 June 2014, supplemented and amended by Circular No. 96/2015/TT-BTC dated 22 June 2015 issued by the Ministry of Finance.

(h) Share capital and share premium

(i) Share capital

Fund units with a right for dividends entitlement are classified as share capital, including subscription capital and redemption capital.

DFVN Capital Appreciation Fund

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

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

Subscription capital

Subscription capital represents the Fund's capital contribution by Fund Unitholders in form of purchasing Fund units on the initial public offering and subsequently to the Fund's establishment date or in form of exchange fund units of other open-ended funds under management of the Fund Management Company for the Fund's units.

Subscription capital is recorded at par value of Fund unit.

Redemption capital

Redemption capital represents the redemption of Fund units from Fund Unitholders during transaction period after the Fund was established or in form of exchange the Fund's units for fund units of other open-ended funds under management of the Fund Management Company.

Redemption capital is recorded at par value of Fund unit.

(ii) *Share premium*

Share premium represents the difference between net asset value per Fund unit and par value of Fund unit in a subscription/redemption transaction.

(iii) *Retained earnings/(accumulated losses)*

Retained earnings/(accumulated losses) represent undistributed retained profits/(accumulated losses) at the reporting date, including realised and unrealised profits/(losses).

Realised profits/(losses) are the difference between the Fund's total revenue, income and total expenses incurred during the period (excluding unrealised gains/(losses) from revaluation of investments).

Unrealised profits/(losses) are the total gains/(losses) from revaluation of the Fund's investments during the period.

At the end of the accounting period, the Fund determines realised and unrealised profits/(losses) during the period and records in "Retained earnings"/("accumulated losses") in the statement of financial position.

(i) *Fund units and Net Asset Value per Fund unit*

Fund units can be resold by Fund Unitholders to the Fund at any time in exchange for an equivalent amount of cash based on the Net Asset Value distributable to Fund Unitholders at the date before transaction date.

The Fund issues and redeems Fund units based on the Net Asset Value per Fund unit at the announcement date. Net Asset Value per Fund unit is calculated by dividing the Net Asset Value of the Fund by the number of Fund units in circulation as at the date before transaction date.

DFVN Capital Appreciation Fund
Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)

Form B06g – QM
*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

All Fund units issued to Fund Unitholders have the same rights with regard to voting right, redemption of capital and others. Each Fund unit in issuance carries one vote at annual general meetings of the Fund.

Net Asset Value per Fund unit equal to Net Asset Value of the Fund divided by the number of Fund units as at the end of the accounting period and is rounded down to (02) decimal. Net asset value is determined by total assets subtracting total liabilities.

(j) Revenue

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

(i) Interest income and dividend income

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate. Interest income is recognised in statement of income on accrual basis unless the recoverability is uncertain.

Dividend income is recognised in the statement of income when the right to receive payment is established. Share dividends are not recognised as income.

(ii) Income from trading securities

Income from trading securities activities is recognised in the statement of income upon receipt of deal confirmation or order matching report from the Vietnam Securities Depository which are verified by the Custodian Bank (for listed securities) and upon completion of the agreement on transfer of assets (for unlisted securities).

(k) Expenses

Expenses are recognised in the statement of income when incurred.

(l) Segment reporting

The Fund operates as one business segment, which is securities investment and one geographical segment, which is Vietnam.

(m) Related parties

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

DFVN Capital Appreciation Fund

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

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

Other investment funds under the management of the Fund Management Company and related parties of the Fund Management Company are considered related parties to the Fund in accordance with Law on Securities. In considering each possible related party relationship, substance of the relationship is considered, and not merely the legal form.

(n) Nil balances

Items or balances required by Circular No. 198/2012/TT-BTC dated 15 November 2012 issued by the Ministry of Finance on the promulgation of accounting system for open-ended funds that are not shown in these interim financial statements indicate nil balances.

4. Cash in banks and cash equivalents

	30/6/2020	31/12/2019
	VND	VND
Current account at HSBC Bank (Vietnam) Ltd:		
▪ Cash in banks for the operating activities of the Fund	6,222,803,959	6,923,362,986
▪ Subscription amount of Fund Unitholders	151,100,000	1,000,000
	<hr/>	<hr/>
	6,373,903,959	6,924,362,986
	<hr/>	<hr/>

DFVN Capital Appreciation Fund

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

Form B06g – QM*(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)***5. Investments in securities**

All investee companies as shown in the statement of investment portfolio are incorporated and operate in Vietnam.

The Fund does not seek to participate in day-to-day financial and operating policy decisions of the investee companies. Accordingly, the Fund does not intend to exert a controlling or significant influence over the investee companies and therefore, the Fund's investments are recorded in accordance with the accounting policy as set out in Note 3(b), rather than being equity accounted or consolidated.

Details of the Fund's investments in securities as at 30 June 2020 and 31 December 2019 were as follows:

	Cost VND [1]	Market value VND [2]	Unrealised gains/(losses) for the period		Revaluation value VND [5]=[1]+[3]+[4]
			Unrealised gains VND [3]	Unrealised losses VND [4]	
At 30 June 2020					
Listed shares	64,040,456,993	62,092,983,500	1,837,914,808	(3,785,388,301)	62,092,983,500
<hr/>					
	Cost VND [1]	Market value VND [2]	Unrealised gains/(losses) for the period		Revaluation value VND [5]=[1]+[3]+[4]
			Unrealised gains VND [3]	Unrealised losses VND [4]	
At 31 December 2019					
Listed shares	73,656,310,234	77,462,612,500	5,680,113,876	(1,873,811,610)	77,462,612,500
<hr/>					

DFVN Capital Appreciation Fund**Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)****Form B06g – QM***(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)***6. Receivables from disposals of investments**

	30/6/2020 VND	31/12/2019 VND
Receivable for disposals of listed shares	4,677,339,747	181,028,050

This balance represents proceeds from disposals of listed shares which will be received after two working days from the trade date (T+2) according to the prevailing securities trading practice in Vietnam.

7. Payable for investments purchases

	30/6/2020 VND	31/12/2019 VND
Payable for purchases of listed shares	264,896,750	3,571,248,850

This balance represents the purchase cost of listed shares which will be paid after two working days from the trade date (T+2) according to the prevailing securities trading practice in Vietnam.

8. Fund management service fees payable

	30/6/2020 VND	31/12/2019 VND
Fund management fee payable	92,929,285	102,482,379
Custody fee payable	18,999,998	19,000,001
Fund administration fee payable	12,100,004	12,100,000
Fund supervising fee payable	7,699,996	7,700,001
Transaction fee payable	10,650,000	8,550,000
Transfer agent service fee payable	15,683,991	14,646,712
	<hr/> 158,063,274	<hr/> 164,479,093

DFVN Capital Appreciation Fund**Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)****Form B06g – QM***(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)***9. Share capital**

According to Establishment Registration Certificate for Open-ended Fund No. 34/GCN-UBCK, the Fund's charter capital is VND75,121,600,000 equivalents to 7,512,160 Fund units with par value of VND10,000 per Fund unit. This is also the capital mobilised in the initial public offering. As the Fund operates as an open-ended fund, its issued capital and the number of Fund units will be changed after every transaction date.

Movements in share capital of Fund Unitholders during the period were as follows:

	Unit	As at 31/12/2019	Incurred during the period	As at 30/6/2020
Subscription capital				
Quantity (1)	Fund unit	7,970,455.89	271,479.05	8,241,934.94
Average NAV (2) = (5)/(1)	VND	10,034.98	9,342.22	10,012.16
Par value (3)	VND	79,704,558,900	2,714,790,500	82,419,349,400
Share premium (4)	VND	278,833,173	(178,573,400)	100,259,773
Value of subscription capital (5) = (3) + (4)	VND	79,983,392,073	2,536,217,100	82,519,609,173
Redemption capital				
Quantity (6)	Fund unit	(222,875.40)	(44,664.15)	(267,539.55)
Average NAV (7) = (10)/(6)	VND	10,529.67	9,878.77	10,421.00
Par value (8)	VND	(2,228,754,000)	(446,641,500)	(2,675,395,500)
Share premium (9)	VND	(118,049,351)	5,414,527	(112,634,824)
Value of redemption capital (10) = (8) + (9)	VND	(2,346,803,351)	(441,226,973)	(2,788,030,324)
Share premium (11) = (4) + (9)	VND	160,783,822	(173,158,873)	(12,375,051)
Number of Fund units in circulation (12) = (1) + (6)	Fund unit	7,747,580.49	226,814.90	7,974,395.39
Value of share capital (13) = (5) + (10)	VND	77,636,588,722	2,094,990,127	79,731,578,849
NAV per Fund unit (14)	VND/ Fund Unit	10,438.11		9,094.67

DFVN Capital Appreciation Fund**Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)****Form B06g – QM***(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)***10. (Accumulated losses)/retained earnings**

	Six-month period ended 30/6/2020 VND	Period from 3/1/2019 to 30/6/2019 VND
Retained earnings at the beginning of the period	3,233,565,204	-
(Loss)/profit after tax for the period	(10,440,636,157)	2,026,525,361
<i>In which</i>		
▪ <i>Realised (losses)/profits</i>	(4,686,860,398)	162,811,192
▪ <i>Unrealised (losses)/profits</i>	(5,753,775,759)	1,863,714,169
(Accumulated losses)/retained earnings at the end of the period	<u>(7,207,070,953)</u>	<u>2,026,525,361</u>

11. Dividend income

	Six-month period ended 30/6/2020 VND	Period from 3/1/2019 to 30/6/2019 VND
Dividend income		
<i>Dividends received</i>	359,005,807	797,410,000
<i>Accrued dividends</i>	70,500,000	18,792,000
	<u>429,505,807</u>	<u>816,202,000</u>

DFVN Capital Appreciation Fund

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

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)***12. (Losses)/gains from trading securities**

Six-month period ended 30 June 2020

Investment portfolio	Proceeds VND [1]	Weighted average cost at the end of transaction date VND [2]	Losses from trading securities during the period VND [3] = [1] – [2]	Cumulative losses from trading securities as of 30/6/2020 VND [4] = [3] + [5]	Cumulative gains from trading securities at the beginning of the period VND [5]
Listed shares	80,538,850,000	84,340,072,441	(3,801,222,441)	(3,246,315,707)	554,906,734

Period from 3 January 2019 (date of establishment) to 30 June 2019

Investment portfolio	Proceeds VND [1]	Weighted average cost at the end of transaction date VND [2]	Gains from trading securities during the period VND [3] = [1] – [2]	Cumulative gains from trading securities as of 30/6/2019 VND [4] = [3] + [5]	Cumulative gains from trading securities at the beginning of the period VND [5]
Listed shares	47,025,567,500	46,358,655,669	666,911,831	666,911,831	-

DFVN Capital Appreciation Fund

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

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)***13. Net unrealised (losses)/gains from revaluation of investments**

Six-month period ended 30 June 2020

Investment portfolio	Cost VND [1]	Market value as at 30/6/2020 VND [2]	Revaluation losses as at 30/6/2020 VND [3] = [2] – [1]	Revaluation gains as at 31/12/2019 VND [4]	Net unrealised losses from revaluation for the six-month period ended 30/6/2020 VND [5] = [3] – [4]
Listed shares	64,040,456,993	62,092,983,500	(1,947,473,493)	3,806,302,266	(5,753,775,759)

Period from 3 January 2019 (date of establishment) to 30 June 2019

Investment portfolio	Cost VND [1]	Market value as at 30/6/2019 VND [2]	Revaluation gains as at 30/6/2019 VND [3] = [2] – [1]	Revaluation gains as at 3/1/2019 VND [4]	Net unrealised gains from revaluation for the period from 3/1/2019 to 30/6/2019 VND [5] = [3] – [4]
Listed shares	71,198,491,831	73,062,206,000	1,863,714,169	-	1,863,714,169

DFVN Capital Appreciation Fund

**Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)**

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

14. Expenses for purchases and sales of investments

	Six-month period ended 30/6/2020 VND	Period from 3/1/2019 to 30/6/2019 VND
Expenses for purchases of investments	110,105,185	176,335,730
Expenses for sales of investments	119,341,091	70,538,358
	<hr/>	<hr/>
	229,446,276	246,874,088
	<hr/>	<hr/>

DFVN Capital Appreciation Fund

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

Form B06g – QM

(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)

During the period, the Fund’s securities trading transactions were carried out mainly through the following securities companies:

Six-month period ended 30 June 2020

No.	Name (code) of securities companies with transaction value exceeding 5% of the Fund’s total transaction value for the period [1] [2]	Relationship with the Fund Management Company [3]	Percentage of transaction value at securities companies		Average transaction fee rate [7]	Market average transaction fee rate [8]
			Fund’s transaction value for the period with each securities company VND [4]	Fund’s total transaction value for the period VND [5]		
1	ACB Securities Ltd., Co	Not related	35,100,618,800	155,263,069,200	22.60%	0.15% - 0.50%
2	Viet Dragon Securities Corporation	Not related	43,722,413,500	155,263,069,200	28.16%	0.15% - 0.50%
3	Viet Capital Securities Joint Stock Company	Not related	29,929,094,000	155,263,069,200	19.28%	0.15% - 0.50%
4	MB Securities Joint Stock Company	Not related	33,580,335,300	155,263,069,200	21.63%	0.15% - 0.50%
5	Ho Chi Minh City Securities Corporation	Not related	12,930,607,600	155,263,069,200	8.33%	0.15% - 0.50%
Total			155,263,069,200		100.00%	

DFVN Capital Appreciation Fund

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

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

Period from 3 January 2019 (date of establishment) to 30 June 2019

No.	Name (code) of securities companies with transaction value exceeding 5% of the Fund's total transaction value for the period	Relationship with the Fund Management Company	Percentage of transaction value at securities companies				
			Fund's transaction value for the period with each securities company VND	Fund's total transaction value for the period VND	Percentage of the Fund's total transaction value for the period	Average transaction fee rate	Market average transaction fee rate
[1]	[2]	[3]	[4]	[5]	[6] = [4]/[5](%)	[7]	[8]
1	ACB Securities Ltd., Co	Not related	50,962,330,000	164,582,715,000	30.96%	0.15%	0.15% - 0.35%
2	Viet Dragon Securities Corporation	Not related	41,567,346,000	164,582,715,000	25.26%	0.15%	0.15% - 0.35%
3	Viet Capital Securities Joint Stock Company	Not related	31,382,460,000	164,582,715,000	19.07%	0.15%	0.15% - 0.35%
4	MB Securities Joint Stock Company	Not related	27,785,907,000	164,582,715,000	16.88%	0.15%	0.15% - 0.35%
5	Ho Chi Minh City Securities Corporation	Not related	12,884,672,000	164,582,715,000	7.83%	0.15%	0.15% - 0.35%
Total			164,582,715,000		100.00%		

DFVN Capital Appreciation Fund
Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

15. Custody fee

	Six-month period ended 30/6/2020 VND	Period from 3/1/2019 to 30/6/2019 VND
Custody fee payable to Custodian Bank (Note 19)	113,999,999	112,774,195
Securities transaction fee payable to Custodian Bank (Note 19)	56,850,000	45,150,000
Custody fee payable to Vietnam Securities Depository	4,281,147	2,885,390
	175,131,146	160,809,585

16. Other operating expenses

	Six-month period ended 30/6/2020 VND	Period from 3/1/2019 to 30/6/2019 VND
Remunerations for the Board of Representatives (Note 19)	90,000,001	78,870,970
Bank charges	893,200	52,800
	90,893,201	78,923,770

DFVN Capital Appreciation Fund

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

Form B06g – QM

(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)

17. Net Asset Value

No.	At NAV valuation date	Six-month period ended 30 June 2020			
		Net Asset Value (NAV) VND [1]	Number of fund units Fund unit [2]	NAV per fund unit VND/Fund unit [3] = [1]/[2]	Increase/ (decrease) NAV/Fund unit VND/Fund unit
	02/01/2020	80,870,153,926	7,747,580.49	10,438.11	
1	07/01/2020	80,241,521,883	7,747,580.49	10,356.97	(81.14)
2	14/01/2020	80,968,909,343	7,740,459.89	10,460.47	103.50
3	21/01/2020	82,776,193,406	7,741,690.60	10,692.26	231.79
4	01/02/2020	78,817,766,351	7,760,349.05	10,156.47	(535.79)
5	04/02/2020	78,334,172,844	7,760,349.05	10,094.15	(62.32)
6	11/02/2020	78,871,089,504	7,768,472.51	10,152.71	58.56
7	18/02/2020	80,004,409,664	7,759,822.79	10,310.08	157.37
8	25/02/2020	76,713,812,137	7,758,894.04	9,887.20	(422.88)
9	02/03/2020 (*)	76,072,561,216	7,760,512.28	9,802.51	(84.69)
10	03/03/2020	76,362,846,803	7,760,512.28	9,839.92	37.41
11	10/03/2020	72,445,000,893	7,828,286.70	9,254.26	(585.66)
12	17/03/2020	65,024,643,594	7,835,526.56	8,298.69	(955.57)
13	24/03/2020	59,750,246,987	7,831,227.55	7,629.74	(668.95)
14	31/03/2020	58,861,244,516	7,832,931.39	7,514.58	(115.16)
15	01/04/2020	58,778,186,978	7,839,718.12	7,497.48	(17.10)
16	07/04/2020	64,506,209,137	7,839,718.12	8,228.12	730.64
17	14/04/2020	65,798,571,838	7,865,677.44	8,365.27	137.15
18	21/04/2020	68,563,703,159	7,878,374.76	8,702.77	337.50
19	28/04/2020	67,261,952,627	7,881,017.56	8,534.67	(168.10)
20	04/05/2020 (**)	67,458,124,623	7,900,701.85	8,538.24	3.57
21	05/05/2020	66,639,311,426	7,900,701.85	8,434.60	(103.64)
22	12/05/2020	71,975,319,425	7,919,386.07	9,088.49	653.89
23	19/05/2020	73,325,715,647	7,923,347.05	9,254.38	165.89
24	26/05/2020	75,220,805,898	7,927,183.04	9,488.97	234.59
25	01/06/2020	75,454,760,572	7,931,714.60	9,513.04	24.07
26	02/06/2020	76,940,348,029	7,931,714.60	9,700.34	187.30
27	09/06/2020	79,227,792,337	7,963,991.04	9,948.25	247.91
28	16/06/2020	73,748,392,059	7,966,303.00	9,257.54	(690.71)
29	23/06/2020	76,430,900,112	7,963,225.43	9,597.98	340.44
30	30/06/2020	73,027,982,943	7,964,579.86	9,169.09	(428.89)
31	01/07/2020	72,524,507,896	7,974,395.39	9,094.67	(74.42)
<ul style="list-style-type: none"> ▪ Average NAV during the period ▪ Maximum change in NAV per Fund unit during the period ▪ Minimum change in NAV per Fund unit during the period 					72,649,258,189 (955.57) 3.57

DFVN Capital Appreciation Fund

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

Form B06g – QM

(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)

18. Number of Fund units in circulation

	30/6/2020	31/12/2019
	Fund units	Fund units
Number of outstanding Fund units within 1 year	440,493.85	7,747,580.49
Number of outstanding Fund units over 1 year	7,533,901.54	-
	<hr/>	<hr/>
	7,974,395.39	7,747,580.49
	<hr/>	<hr/>

19. Related parties and other key contracts**(a) Related parties**

In addition to related party balances disclosed in other notes to the interim financial statements, the Fund had the following significant transactions with related parties during the period:

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

	Six-month period ended 30/6/2020 VND	Period from 3/1/2019 to 30/6/2019 VND
Fund management fee	545,052,533	585,180,965
	<hr/>	<hr/>

In accordance with the Fund's Charter, Fund Management Company is entitled to receive annual management fee equal to 1.5% of Net Asset Value of the Fund. Fund management fee is calculated (accrued) for each valuation period based on the Net Asset Value 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) Transactions with the Board of Representatives

	Six-month period ended 30/6/2020 VND	Period from 3/1/2019 to 30/6/2019 VND
Board of Representatives' remunerations (Note 16)	90,000,001	78,870,970
	<hr/>	<hr/>

DFVN Capital Appreciation Fund

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

Form B06g – QM

(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)

Other than the remunerations in accordance with the Fund's Charter, there is no other contract to which the Fund and any member of the Board of Representatives is a party where a member of the Board of Representatives has a material interest. Remuneration and associated expenses to members of the Board of Representatives are recognised as expenses of the Fund in the statement of income.

(b) Other key contracts

Transactions with HSBC Bank (Vietnam) Ltd.

	Six-month period ended 30/6/2020 VND	Period from 3/1/2019 to 30/6/2019 VND
Transfer agent fee	88,278,546	150,235,673
Custody fee	113,999,999	112,774,195
Securities transaction fee	56,850,000	45,150,000
Supervising fee	46,200,000	45,703,226
Fund administration fee	72,600,003	71,819,357
Bank charges	893,200	52,800
	<hr/>	<hr/>
	378,821,748	425,735,251

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

In accordance with the Fund's Charter, the Fund has to pay HSBC Bank (Vietnam) Ltd. custody fee, supervising fee, fund administration fee and transfer agent 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 detail of fees is as follows:

Services	Fee rates
Supervising (excluding VAT)	0.02% per annum. Minimum supervising fee is VND7.0 million per month.
Custody	0.06% per annum. Minimum custody fee is VND19.0 million per month.
Fund administration (excluding VAT)	0.035% per annum. Minimum fund administration fee is VND11.0 million per month.

DFVN Capital Appreciation Fund

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

Form B06g – QM

(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)

Transfer agent fees include two groups of fees as follows:

- Group of fee calculated based on NAV or transaction value include:
 - Annual maintenance service fees: 0.04% annual NAV. Minimum transfer agency maintenance fee is VND13.0 million per month.
 - Registration fees for new purchase, acquisition, conversion, transfer: 0.03% of transaction value of new purchase, acquisition, conversion, transfer.
- Group of fee calculated based on actual amount incurred include:
 - Data setup fees include VND15,000 per Fund Unitholder and VND1,000,000 per distribution agent.
 - Other fees such as mails delivery fees VND100,000 per Fund Unitholder, HSBC net equipment fee VND300,000 per equipment and other fees.

Apart from the above fees, the Fund also has obligation to pay the HSBC Bank (Vietnam) Ltd. the following fees in relation to assets transactions of the Fund:

Services	Fee rates
Purchase/sell securities	VND150,000 per transaction.

20. The Fund's performance indicators

	Six-month period ended 30/6/2020 VND	Period from 3/1/2019 to 30/6/2019 VND
I Investment performance		
1 Management fee payable to Fund Management Company/Average NAV during the period (%)	1.50%	1.47%
2 Custody, supervising fees payable to Supervising Bank/Average NAV during the period (%)	0.61%	0.52%
3 Fund administration fee, transfer agent fee and other expenses payable to related service providers/Average NAV during the period (%)	0.44%	0.56%
4 Audit fee/Average NAV during the period (%)	0.20%	-
5 Legal advisory fee, quotation fee and other fees, remuneration payable to the Board of Representatives/Average NAV during the period (%)	0.25%	0.20%
6 Operating expenses/Average NAV during the period (%)	3.63%	3.37%
7 Turnover of investment portfolio during the period = (Total value of purchase transactions + total value of sales transactions)/2/Average NAV during the period (%)	213.72%	206.94%

DFVN Capital Appreciation Fund**Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)****Form B06g – QM***(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

	Six-month period ended 30/6/2020 VND	Period from 3/1/2019 to 30/6/2019
II Others		
1 Fund scale at the beginning of the period (calculated at par value of Fund units)		
Total value of Fund units in circulation at the beginning of the period	77,475,804,900	-
Total number of Fund units in circulation at the beginning of the period	7,747,580.49	-
2 Change in Fund scale during the period (calculated at par value of Fund units)		
Number of Fund units subscribed during the period	271,479.05	7,781,308.42
Value of capital subscribed during the period (at par value)	2,714,790,500	77,813,084,200
Number of Fund units redeemed during the period	(44,664.15)	(94,834.46)
Value of capital redeemed during the period in respond to Fund Unitholders' command (at par value)	(446,641,500)	(948,344,600)
3 Fund scale at the end of the period (calculated at par value of Fund units)		
Total value of Fund units in circulation at the end of the period	79,743,953,900	76,864,739,600
Total number of Fund units in circulation at the end of the period	7,974,395.39	7,686,473.96
4 Percentage of Fund units held by the Fund Management Company and related parties at the end of the period	90.71%	92.20%
5 Percentage of Fund units held by ten biggest Unitholders at the end of the period	92.54%	93.99%
6 Percentage of Fund units held by foreign Unitholders at the end of the period	87.78%	91.07%
7 Number of Fund Unitholders at the end of the period	303	251
8 NAV/Fund unit at the end of the period	9,094.67	10,280.20

DFVN Capital Appreciation Fund

**Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)**

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

21. Financial risk management

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

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

This note presents information about the Fund's exposure to each of the above risks, the Fund's objectives, policies and processes for measuring and managing risk.

The Fund's investment portfolio comprises listed securities. The Management of the Fund Management Company has been given a discretionary authority to manage the Fund's assets in line with the Fund's investment objectives. Compliance with the target asset allocations, the composition of the portfolio is monitored by the Fund Management Company and the Supervising Bank on a weekly basis. In instances where the portfolio has diverged from the target asset allocations, the Management of the Fund Management Company is obliged to take actions to rebalance the portfolio in line with the established targets.

(a) Credit risk

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

All call deposits and term deposits were placed with well-known financial institutions where the Board of Representatives approved and the Fund Management Company does not expect any losses arising from the non-performance of these financial institutions.

The Fund's listed securities will be traded on or subject to the rules of the Ho Chi Minh City Stock Exchange and the Hanoi Stock Exchange. All transactions in listed securities are settled or paid for upon delivery using Vietnam Securities Depository and approved brokers. The risk of default is considered minimal.

Receivables include receivables from disposals of investments, interest and dividends receivables. The Fund Management Company believes no allowance for doubtful debts was considered necessary for these receivables as at 30 June 2020 and 31 December 2019.

The maximum exposure to credit risk faced by the Fund is equal to the carrying amounts of deposits with banks and receivables.

DFVN Capital Appreciation Fund**Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)****Form B06g – QM***(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)***(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 other financial assets.

The Fund's approach to managing liquidity risk is to ensure that it will always have sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The Fund's financial assets as at 30 June 2020 and 31 December 2019 included mainly listed securities and demand deposits. The Fund's investments in listed securities are considered to be readily realisable as they are traded on the Ho Chi Minh City Stock Exchange and the Hanoi Stock Exchange. As a result, the Fund may be able to convert some of its investments into an amount of cash to timely meet its liquidity requirements.

At the reporting date, the contractual maturities of financial liabilities were as follows:

As at 30 June 2020	Carrying amount VND	Undiscounted contractual cash flows VND	Less than 1 year VND
Payable for investments purchases	264,896,750	264,896,750	264,896,750
Accrued expenses	116,109,295	116,109,295	116,109,295
Advances from Fund Unitholders for Fund units subscription	151,100,000	151,100,000	151,100,000
Fund management service fees payable	158,063,274	158,063,274	158,063,274
	<hr/>	<hr/>	<hr/>
	690,169,319	690,169,319	690,169,319

DFVN Capital Appreciation Fund**Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)****Form B06g – QM***(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

As at 31 December 2019	Carrying amount VND	Undiscounted contractual cash flows VND	Less than 1 year VND
Payable for investments purchases	3,571,248,850	3,571,248,850	3,571,248,850
Payable to distribution agents	80,000	80,000	80,000
Accrued expenses	133,000,000	133,000,000	133,000,000
Advances from Fund Unitholders for Fund units subscription	1,000,000	1,000,000	1,000,000
Payables to Fund Unitholders for Fund units redemption	5,176,723	5,176,723	5,176,723
Fund management service fees payable	164,479,093	164,479,093	164,479,093
	<hr/>	<hr/>	<hr/>
	3,874,984,666	3,874,984,666	3,874,984,666

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rate, foreign exchange and market price will affect the Fund's income or the value of its holdings of financial instruments.

(i) 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. The Fund's exposure to market risk due to change in interest rates is minimal since all cash in banks are demand deposits having low and stable interest rate.

(ii) 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 Vietnam Dong, which is the Fund's accounting currency.

(iii) Market price risk

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

DFVN Capital Appreciation Fund

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

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

The Fund has mainly invested in listed securities that are affected by equity price risk arising from the uncertainty in the fluctuation of the future market value of these securities. Market price risk is managed by the Fund Management Company by diversifying the investment portfolio and careful selection of securities within specified limits.

As at 30 June 2020, the market value of the Fund's listed securities is VND62,092,983,500 (31/12/2019: the market value of the Fund's listed securities is VND77,462,612,500). During the period ended 30 June 2020, the average rate of price fluctuation of these listed securities was approximately 41.37% (31/12/2019: 10%). Had the market prices of these securities increased or decreased by 41.37% as at 30 June 2020 with all other variable remaining constant, the Fund's Net Asset Value would be expected to increase or decrease by VND25,687,867,274 (31/12/2019: VND7,746,261,250).

(d) Fair values

Fair value is the value which is determined as the price appropriate to market price that would be received for sale of an asset or paid to transfer a liability at the measurement date.

DFVN Capital Appreciation Fund
Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)

Form B06g – QM
(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)

(i) Fair values versus carrying amounts

The table below presents the carrying amounts and fair values of the Fund's financial assets and liabilities:

	30/6/2020		31/12/2019	
	Carrying amount VND	Fair value VND	Carrying amount VND	Fair value VND
Financial assets				
<i>Categoried as financial assets at fair value through profit or loss</i>				
▪ Investments	62,092,983,500	62,092,983,500	77,462,612,500	77,462,612,500
<i>Listed shares</i>	62,092,983,500	62,092,983,500	77,462,612,500	77,462,612,500
<i>Categoried as loans and receivables</i>				
▪ Cash in banks and cash equivalents	6,373,903,959	6,373,903,959	6,924,362,986	6,924,362,986
▪ Receivables from disposals of investments	4,677,339,747	4,677,339,747	181,028,050	181,028,050
▪ Interest and dividends receivables	70,500,000	70,500,000	177,300,000	177,300,000
Financial liabilities				
<i>Categoried as financial liabilities carried at amortised cost</i>				
▪ Payable for investments purchases	264,896,750	264,896,750	3,571,248,850	3,571,248,850
▪ Payable to distribution agents	-	-	80,000	80,000
▪ Accrued expenses	116,109,295	116,109,295	133,000,000	133,000,000
▪ Advances from Fund Unitholders for Fund units subscription	151,100,000	151,100,000	1,000,000	1,000,000
▪ Payables to Fund Unitholders for Fund units redemption	-	-	5,176,723	5,176,723
▪ Fund management service fees payable	158,063,274	158,063,274	164,479,093	164,479,093

DFVN Capital Appreciation Fund

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

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

(ii) Basis for determining fair values

The Fund uses the following methods and assumptions in estimation of fair value of financial assets and liabilities:

- Fair value of cash and cash equivalents are account balance at the end of the accounting period.
- Fair value of shares which are listed on the Ho Chi Minh City Stock Exchange or Hanoi Stock Exchange are the closing prices or other names, in accordance with the regulations of the Stock Exchange on the latest trading date of the securities prior to the valuation date.
- Fair values of other financial assets and liabilities approximate their carrying values as at 30 June 2020 and 31 December 2019 due to the short-term maturity of these financial instruments.

22. Seasonality of operation

The result of operations of the Fund is not subject to seasonality cyclical factors.

23. Changes in accounting estimates

In preparing the interim financial statements, the Management of the Fund Management Company has made several accounting estimates. Actual results may differ from these accounting estimates.

24. Unusual items

There were no material unusual items during the period which affects the Net Asset Value, Net income or cash flows of the Fund.

25. Changes in the composition of the Fund

There were no significant changes in the composition of the Fund which affects the interim financial statements of the Fund for the six-month period ended 30 June 2020.

26. Subsequent events

At the issuance date of these interim financial statements, the Fund's Net Asset Value at the latest valuation date (4 August 2020) was VND 71,760,258,872, which decreases by 1.05% as compared to the Fund's Net Asset Value as at 30 June 2020.

DFVN Capital Appreciation Fund

**Notes to the interim financial statements for the six-month period ended 30 June 2020
(continued)**

Form B06g – QM

*(Issued under Circular No. 198/2012/TT-BTC
dated 15 November 2012 of the Ministry of Finance)*

27. Approval for issuance of the interim financial statements

The interim financial statements for the six-month period ended 30 June 2020 were authorised for issue by the Chairman on behalf of the Board of Representatives on 10 August 2020.

10 August 2020

Dai-ichi Life Vietnam Fund Management Company Limited

Prepared by:



Ms, Tran Thi Anh Tram
Operation Manager

Approved by:



Mr. Tran Chau Danh
Chief Executive Officer