

Fides VN Bond Fund

Interim financial statements

For the six-month period ended 30 June 2023



Fides (Vietnam) Fund Management Joint Stock Company
Fides VN Bond Fund

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Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

GENERAL INFORMATION

THE FUND

Fides VN Bond Fund ("the Fund") was established as an open-ended fund in Vietnam pursuant to Initial Public Offering Certificate No. 204/GCN-UBCK dated 30 September 2021 and Public Fund Establishment Registration Certificate No. 01/GCN-UBCK dated 4 January 2022 granted by the State Securities Commission. The Fund was licensed to operate for an indefinite period.

Total number of initial distributed fund units was 8,031,600 units amounting to VND80,316,000,000 and accounting for 160.63% of 5,000,000 fund units expected to be offered at par value of VND10,000 per fund unit. As at 30 June 2023, the Fund's contributed capital is VND45,101,000,000 at par, equivalent to 4,510,100 fund units.

The Fund's main investment objective is seeking capital growth and income for investors by investing in fixed income and high credit quality assets.

The Fund is located at Fides (Vietnam) Fund Management Joint Stock Company, Room No. 1404, 14th Floor, Empress Tower, 138 - 142 Hai Ba Trung Street, Da Kao Ward, District 1, Ho Chi Minh City.

The Fund has no employee and is managed by Fides (Vietnam) Fund Management Joint Stock Company ("the Fund Management Company").

SUPERVISORY AND CUSTODIAN BANK

The Supervisory and Custodian Bank of the Fund is Shinhan Bank Vietnam Limited. The Supervisory and Custodian Bank was appointed by the General Meeting of Investors to carry out the depository of securities, economic contracts and related documents of assets of the Fund as well as supervise the Fund's activities. Rights and obligations of the Supervisory and Custodian Bank are stipulated in the Charter of the Fund.

FUND MANAGEMENT COMPANY

The Fund Management Company was established in accordance with License No. 43/UBCK-GP issued by the State Securities Commission on 11 November 2008 and Amendment Licenses and is the authorized representative of the Fund, on behalf of the Fund to execute the ownership towards the assets of the Fund in an honest and careful manner. The Fund Management Company complies with the provisions of law and the charter of the Fund Management Company and manages the Fund's assets as stipulated in the Charter of the Fund in compliance with the rules of professional ethics, voluntariness, fairness, honesty and for the best interests of the Fund.

FUND REPRESENTATIVE BOARD

The members of the Fund Representative Board during the period and at the date of this report are:

<i>Name</i>	<i>Position</i>	<i>Date of appointment</i>
Mr. Phan Hoang Son	Chairman, independent member	16 December 2021
Ms. Le Phuc Yen	Independent member	16 December 2021
Mr. Nguyen Trung Hoa	Independent member	16 December 2021

LEGAL REPRESENTATIVE

The legal representative of Fides (Vietnam) Fund Management Joint Stock Company during the period and up to 12 June 2023 is Mr. Kim Kwang Hyuk, Chief Executive Officer. From 13 June 2023 and at the date of this report, the legal representative of the Fund Management Company is Mr. Kim Yonghwan, Chief Executive Officer.

AUDITORS

The auditors of the Fund are Ernst & Young Vietnam Limited.

Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

REPORT OF THE FUND REPRESENTATIVE BOARD

The Fund Representative Board of Fides VN Bond Fund ("the Fund") is pleased to present this report and the interim financial statements of the Fund for the six-month period ended 30 June 2023.

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

The Board of Management of Fides (Vietnam) Fund Management Joint Stock Company ("the Fund Management Company"), as the Fund Management Company is responsible for the interim financial statements of each financial period which give a true and fair view of the interim financial position, interim investment portfolio of the Fund and of the interim results of its operations, its changes in net asset value, transactions of fund units and its interim cash flows for the period. In preparing those interim financial statements, the Board of Management of the Fund Management Company is required to:

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

The Board of Management of the Fund Management Company is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim financial position of the Fund and to ensure that the accounting records comply with the applied accounting system. The Board of Management 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.

The Board of Management of the Fund Management Company confirmed that it has complied with the above requirements in preparing the accompanying interim financial statements.

APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The Fund Representative Board hereby approved the accompanying interim financial statements based on the confirmation of the Board of Management of the Fund Management Company. The interim financial statements give a true and fair view of the interim financial position, interim investment portfolio of the Fund as at 30 June 2023 and of the interim results of its operations, its changes in net asset value, transactions of fund units and its interim cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System applicable to open-ended funds and the statutory requirements relevant to the preparation and presentation of open-ended funds' interim financial statements.

On behalf of the Fund Representative Board:



Mr. Phan Hoang Son
Chairman

Ho Chi Minh City, Vietnam

14 August 2023



Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

REPORT OF THE FUND MANAGEMENT COMPANY

I. GENERAL INFORMATION OF THE FUND

1. Investment objective

Fides VN Bond Fund ("the Fund") was established as an open-ended fund in Vietnam pursuant to Initial Public Offering Certificate No. 204/GCN-UBCK dated 30 September 2021 and Public Fund Establishment Registration Certificate No. 01/GCN-UBCK dated 4 January 2022 granted by the State Securities Commission. The Fund was licensed to operate for an indefinite period.

The Fund's main investment objective is seeking capital growth and income for investors by investing in fixed income and high credit quality assets.

2. Fund performance

According to the reviewed interim financial statement of the Fund as of 30 June 2023, net asset value ("NAV") change per 1 fund unit is 8.03% compared to 31 December 2022.

3. Investment strategy

The Fund asset allocation is flexible, suitable with the defensive or offensive investment strategy depending on the available investment opportunities at various times. Asset allocation may vary significantly depending on the Fund Management Company outlook, with the goal of protecting the interests of the investors throughout the operating time.

The above-mentioned asset allocation depends on the available investment opportunities and the assessment of investment team regarding the risks and returns on these available investment asset classes.

The Fund will mainly invest in Vietnam Government bonds, municipal bonds, Government guaranteed bonds, listed corporate bonds, public fund certificates, and corporate bonds issued by listed issuers with payment guarantees of credit institutions or repurchase commitments by issuers. In addition, the Fund may consider investing a certain proportion in a portfolio of large capitalization and high liquidity stocks listed on the HSX and/or HNX exchanges.

4. Fund classification

The Fund is operating as an open-ended fund according to regulation of Circular No. 98/2020/TT-BTC ("Circular 98") dated 16 November 2020 guiding the operation and management of securities investment funds.

5. Recommended investment time: Medium to long term.

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

7. Fund Inception

The Fund began its operation from the date of Public Fund Establishment Registration Certificate No. 01/GCN-UBCK dated 4 January 2022 granted by the State Securities Commission. The Fund was licensed to operate for an unlimited duration.

8. Fund Size at the reporting date

- Total net asset value: VND48,720,787,203
- Number of fund certificates: 4,510,100 fund certificates

Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

I. GENERAL INFORMATION OF THE FUND (continued)

9. *Distributing Fund profits policy*

The distribution of the Fund's profits to the Fund Unit Holders will be decided by the Fund Representative Board in compliance with the Fund Charter as proposed by the Fund Management Company on the basis of the audited financial statements confirming that there is sufficient profit to distribute.

The Fund Management Company is required to deduct all taxes and fee charges as stipulated by the law before distributing dividend to the Fund Unit Holders.

Dividend of the Fund would not be distributed if after the distribution:

- The Fund is financially not be able to fulfil tax and financial obligations, asset obligations, maturing borrowings in accordance with the stipulation of law; or
- Net asset value of the Fund under the minimum level as stipulated by law.

10. Net profit distribution per Fund unit

The Fund has not distributed profit in this operating period.

II. OPERATING STATISTICS

1. Asset Class Allocation

<i>Asset Class Allocation</i>	<i>30 June 2023 (%)</i>	<i>30 June 2022 (%)</i>
Bonds	23.14	46.59
Certificates of deposits	42.97	18.88
Bank deposits and cash equivalent	32.57	33.58
Other assets	1.32	0.95
Total	100.00	100.00

Fides (Vietnam) Fund Management Joint Stock Company
Fides VN Bond Fund

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

II. OPERATING STATISTICS (continued)

2. Operating indicators

	Indicator	As of 30 June 2023	As of 31 December 2022
1	Net asset value (NAV) of the Fund (VND)	48,720,787,203	69,798,407,242
2	Number of total outstanding fund certificates	4,510,100	6,662,900
3	NAV/unit (VND)	10,803	10,476
4	NAV/unit maximum in the period	10,803	10,476
5	NAV/unit minimum in the period	10,477	10,012
6	Closing price/unit as of reporting date (a)	Not applicable	Not applicable
7	Closing price/unit maximum in the period (a)	Not applicable	Not applicable
8	Closing price/unit minimum in the period (a)	Not applicable	Not applicable
9	Total growth (%) / unit	3.12	4.76
9.1	Capital appreciation (%) / unit (due to price fluctuations) (b)	0.72	(0.43)
9.2	Income growth (%) / unit (per realized income) (b)	2.39	5.19
10	Gross distribution per fund unit (c)	Not applicable	Not applicable
11	Net distribution per fund unit (c)	Not applicable	Not applicable
12	Ex-date of distribution (c)	Not applicable	Not applicable
13	Annualized expense ratio (%)	2.71	2.35
14	Annualized turnover ratio of investment portfolio (%)	134.76	77.01

(a) The Fund certifications are not listed on stock exchange.

(b) The Fund has not applied the profits distributing policy.

3. NAV growth overtime

Period	Growth of NAV per fund unit (%)	Annual growth of NAV per fund unit (%)
6 months (from 1 January 2023 to 30 June 2023)	3.12	Not applicable
1 year (from 30 June 2022 to 30 June 2023)	5.90	Not applicable
From establishment	8.03	Not applicable

Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

III. MARKET COMMENTARY

In the first 6 months of 2023, Vietnam's economy achieved GDP growth of 3.72%, the lowest level in 10 years excluding the Covid-19 period. The cause is the decline in spending demand in some markets. foreign countries affect the export opportunities of many domestic enterprises and the tightening monetary policy affects the business activities of enterprises. In that context, the bond market is also showing mixed signs:

- For the government bond market ("Government bonds"), the volume of government bond mobilization in the market in the first 6 months of 2023 reached VND 179,892 billion (up 160.38% over the same period in 2022). The average issuance term reached 12.23 years (down 2.51 years compared to the same period in 2022), the average issuance interest rate reached 3.7% (up 1.04% over the same period in 2022).

On the secondary market, the average trading value per session reached VND 7,040 billion/session, down 33.72% over the same period in 2022.

- For the corporate bond market ("Corporate bonds"), in the first 6 months of the year, there were a total of 42 domestic corporate bond issuances, of which 35 were private placements with a total value of approximately VND 37,262 billion (accounting for 87.1% of the total issuance value), 7 issuances to the public with a value of 5,521 billion (accounting for 12.9% of the total issuance value). The value of bond issuance to the public decreased by 38.6% and the value of private bond issuance decreased by 76% compared to the same period in 2022. The real estate group led in terms of total issuance value with a total value of VND 23,315 billion (accounting for 54.5% of total issuance value), followed by consumer goods with VND 10,545 billion (accounting for 24.6% of total issuance value).

In March 2023, the Government issued Decree 08/2023/ND-CP in the direction of postponing the implementation of a number of provisions on (1) professional securities investors, (2) bond distribution deadlines, (3) Compulsory credit rating for some enterprises and supplement the legal framework for activities of extending, delaying bond payment or paying with other assets. Decree 08/2023 has had a positive impact on the bond market when 96% of the new issued bond volume of the first quarter was successfully issued after Decree 08 came into effect and as of May 2023, 16 businesses have successfully negotiated to extend the bond volume of VND 7.9 trillion due. It is expected that Decree 08/2023/ND-CP will have the effect of reducing pressure on VND 158,500 billion of bonds maturing in the H2 of 2023.

IV. DETAILS ON FUND'S OPERATING INDICATORS

1. Fund's operating details statistics

Indicators	1 year up to the reporting date (%)	Since inception (%)
Total growth/unit	5.90	8.03
Income growth/unit (a)	5.34	8.01
Capital appreciation/unit (a)	0.56	0.02

- (a) Separating growth per unit into income growth/unit and capital appreciation/unit is relative only because under the current accounting regulations, the total value of the repurchase fund certificates is recorded as a reduction in capital without separating into capital and undistributed profits.

Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

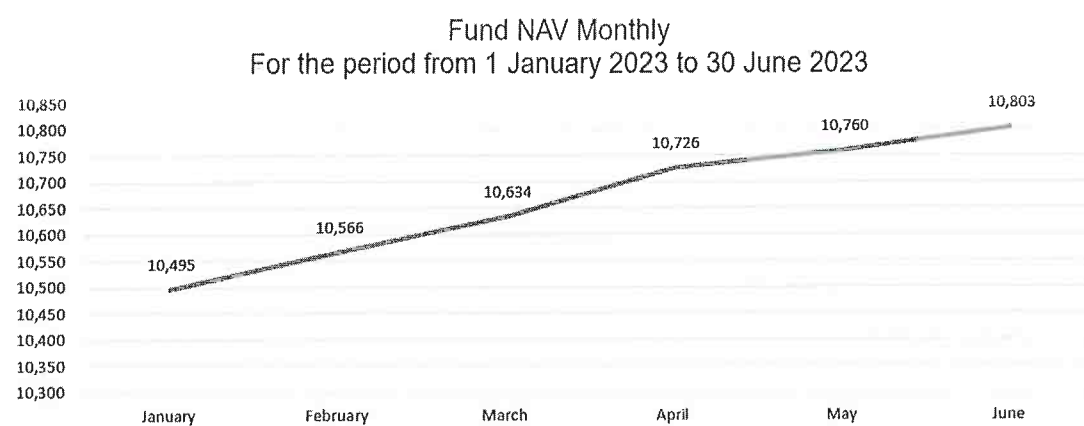
IV. DETAILS ON FUND'S OPERATING INDICATORS (continued)

1. Fund's operating details statistics (continued)

Change in NAV:

Items	30 June 2023 VND	31 December 2022 VND	Change (%)
Net asset value (NAV) of the Fund	48,720,787,203	69,798,407,242	(30.20)
NAV per fund unit	10,803	10,476	3.12

Chart below shows monthly NAV per unit of the Fund:



2. Statistics on shareholders of fund certificates as of 30 June 2023

Size of holdings Number of fund certificates	Number of shareholders	Number of fund certificates holding	Percentage of holding (%)
Under 5,000	67	10,100	0.22
From 5,000 to 10,000	-	-	-
From 10,000 to 50,000	-	-	-
From 50,000 to 500,000	-	-	-
Over 500,000	3	4,500,000	99.78
Total	70	4,510,100	100.00

3. Hidden cost and discount/devaluation: None

Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

REPORT OF THE FUND MANAGEMENT COMPANY (continued)

V. MARKET OUTLOOK

The corporate bond market in the second half of 2023 is expected to witness many new issuance deals. On the supply side, many large and reputable enterprises, namely Vietjet Aviation JSC and Vingroup Group, are planning to issue corporate bonds at attractive interest rates of 12-14.4%/year.

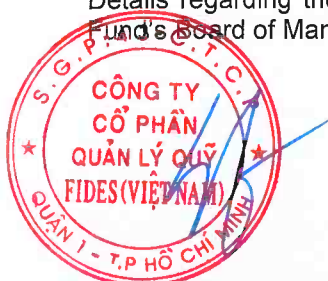
On the demand side, the rapid decline in interest rates is the most direct motivation to support the corporate bond market, stimulating investors to seek alternative investment opportunities. Specifically, by the end of June 2023, deposit interest rates at 4 state-owned commercial banks had dropped to 6.3% p.a. (down 1.1% p.a. compared to the beginning of 2023). In addition, the operation of the centralized trading market for private placement corporate bonds from July 19, 2023 also increases the liquidity of corporate bonds and makes this product more appealing to investors.

Moreover, Decree 08/2023/NĐ-CP continues to support the corporate bond market in both supply and demand. Regarding the outstanding corporate bonds, it is expected that early redemption will continue to be popular among bonds issued by credit institutions while payment extension will be witnessed more in matured bonds issued by real estate developers.

Regarding the government bond market, the yield of newly issued government bonds in the second half of 2023 is expected to decrease rapidly in the context of SBV maintaining the implementation of quantitative easing policy to support the economy.

VI. OTHER DISCLOSURES

Details regarding the Fund managing personnel, Fund's Board of Representatives, and the Fund's Board of Management is presented fully at the Fund's prospectus.



Mr. Kim Yonghwan
General Director

Ho Chi Minh City, Vietnam

14 August 2023



SUPERVISORY REPORT

We, the supervisory bank of the Fides VN Bond Fund (“FBF” or “Fund”) for the reporting period from January 01, 2023, to June 30, 2023, with our knowledge, in this reporting period, FBF was operated and managed with the following contents:

- a) In the supervising of investment activities and asset trading of Fund in this period, there was a deviation in investment restriction specified in the current securities laws regulating securities investment funds, the Fund Charter, and related legislation as follows:

- According to Section c, Clause 4, Article 35, Circular 98/2020/TT-BTC dated November 16, 2020, guiding the operation and management of securities investment funds, stipulates: Can not invest more than 20% total asset value of fund in securities, deposits at commercial banks and money market instruments of an issuer, excluding government debt instruments.

✓ In the reporting period of February 08, 2023, FBF's investment ratio has deviated. The reason is due to the redemption of investor at trading date February 01, 2023.

As of April 12, 2023 and April 14, 2023, the deviation was corrected.

- According to Section d, Clause 4, Article 35, Circular 98/2020/TT-BTC dated November 16, 2020, guiding the operation and management of securities investment funds, stipulates: Can not invest more than 10% total asset value of fund in public issuance bonds, corporate bonds issued privately by listed issuers having payment guarantee from credit organizations or buying commitment of issuers at least once in 12 months and buying at least 30% of total value of issuance per time.

In the reporting period of February 8, 2023, FBF's investment ratio has deviated. The reason is due to the redemption of investor at trading date February 1, 2023.

As of June 23, 2023, the deviation was corrected.

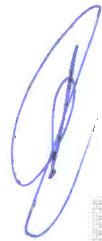
- b) The asset valuation and assessment of FBF were consistent with the Fund Charter, the Fund Prospectus, and relevant legal documents.

c) Subscriptions and redemptions of FBF Certificates were complied with the Fund Charter, the Fund Prospectus and relevant legislations.

d) Regarding profit distribution of FBF in this period: None

Ho Chi Minh, Date 03 month 07 year 2023

Supervisory Specialist



Tu Hong Hue

Supervisor

Representative of Supervisory Bank



Jung Huyn Su

Director of Securities Services Department



Reference: 61814574/66973297-SX

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To: The Investors of Fides VN Bond Fund

We have reviewed the accompanying interim financial statements of Fides VN Bond Fund ("the Fund"), as prepared on 14 August 2023 and set out on pages 13 to 50 which comprise the interim statement of financial position, the interim statement of investment portfolio as at 30 June 2023; the interim income statement, the interim statement of changes in net asset value, transactions of fund units and the interim statement of cash flows for the six-month period then ended and the notes thereto.

The Board of Management of the Fund Management Company's responsibility

The Board of Management of Fides (Vietnam) Fund Management Joint Stock Company as the Fund Management Company is responsible for the preparation and fair presentation of the interim financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System applicable to open-ended funds and the statutory requirements relevant to the preparation and presentation of open-ended funds' interim financial statements, and for such internal control as the Board of Management determines is necessary to enable the preparation and presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express a conclusion on the interim financial information based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 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.

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 interim financial position, interim investment portfolio of the Fund as at 30 June 2023, and of the interim results of its operations, interim changes in its net asset value, transactions of fund units and its interim cash flows for the six-month period then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Accounting System applicable to open-ended funds and the statutory requirements relevant to preparation and presentation of open-ended funds' interim financial statements.

Emphasis of matter

We draw attention to Note 2.6 to the interim financial statements. The financial period applicable for the preparation and presentation of the accompanying interim financial statements is from 1 January 2023 to 30 June 2023, whereas the financial period applicable for the preparation and presentation of the corresponding figures is from 4 January 2022 (date of establishment) to 30 June 2022. Accordingly, the corresponding figures of the interim income statement, the interim statement of changes in net asset value, transactions of fund units, the interim statement of cash flows and the related notes to the interim financial statements are not comparable with those of the current period.

Our conclusion is not modified in respect of this matter

Ernst & Young Vietnam Limited



Nguyễn Phương Nga
Deputy General Director
Audit Practicing Registration
Certificate No. 0763-2019-004-1

Ho Chi Minh City, Vietnam

14 August 2023

Fides (Vietnam) Fund Management Joint Stock Company
Fides VN Bond Fund

INTERIM INCOME STATEMENT
For the six-month period ended 30 June 2023

B01g-QM

Code	ITEMS	Notes	For the six-month period ended 30 June 2023 VND	For the period from 4 January 2022 to 30 June 2022 VND
01	I. INCOME FROM INVESTING ACTIVITIES		2,419,023,821	2,620,273,932
02	1.1 Coupon interest received		1,414,990,659	2,037,123,216
03	1.2 Interest income	11	969,560,552	831,319,253
04	1.3 Loss from disposal of investments	13	(306,541,690)	-
05	1.4 Unrealized gain/(loss) on revaluation of investments	5	341,014,300	(248,168,537)
10	II. EXPENSES FROM INVESTING ACTIVITIES		6,827,471	6,285,720
11	2.1 Transaction expenses for securities trading	12	6,827,471	6,285,720
20	III. OPERATING EXPENSES		731,720,189	1,003,002,287
20.1	3.1 Fund management fee	19.1	273,869,233	558,882,612
20.2	3.2 Custody fee	19.2	82,138,428	59,688,308
20.3	3.3 Supervisory fee	19.2	88,000,000	64,935,485
20.4	3.4 Fund administration fee	19.2	54,999,998	64,935,486
20.5	3.5 Transfer agency services fee		66,000,000	57,129,032
20.6	3.6 Other fees by service provider for the fund	19.2	66,000,000	97,403,226
20.8	3.7 Audit fee		48,254,530	45,975,138
20.10	3.8 Other operating expenses	14	52,458,000	54,053,000
23	IV. NET INCOME FROM INVESTING ACTIVITIES		1,680,476,161	1,610,985,925
30	V. PROFIT BEFORE TAX		1,680,476,161	1,610,985,925
31	6.1 Realized profit		1,339,461,861	1,859,154,462
32	6.2 Unrealized profit/(loss)	5	341,014,300	(248,168,537)
40	VI. CORPORATE INCOME TAX ("CIT") EXPENSE		-	-
41	VII. PROFIT AFTER CIT		1,680,476,161	1,610,985,925

Ms. Truong Thi Huyen
Preparer

Ms. Truong Thi Huyen
Chief Accountant

Mr. Kim Yonghwan
General Director

Ho Chi Minh City, Vietnam

14 August 2023

Fides (Vietnam) Fund Management Joint Stock Company
Fides VN Bond Fund

INTERIM STATEMENT OF FINANCIAL POSITION
as at 30 June 2023

B02g-QM

Code	ITEMS	Notes	30 June 2023 VND	31 December 2022 VND
100	I. ASSETS			
110	1. Cash and cash equivalents	4	15,918,799,548	4,593,778,490
111	1.1 Cash at banks for operation of the Fund		8,636,974,680	1,593,778,490
112	1.2 Deposits coming due in less than three (3) months		7,281,824,868	3,000,000,000
120	2. Net investments		32,310,205,465	63,775,158,558
121	2.1 Investments	5	32,310,205,465	63,775,158,558
130	3. Receivables		639,785,721	1,596,286,577
133	3.1 Receivables, accrual for interest and dividends income from investments		639,785,721	1,596,286,577
136	3.1.1 Accruals for interest and dividend income from investments	6	639,785,721	1,596,286,577
100	TOTAL ASSETS		48,868,790,734	69,965,223,625
300	II. LIABILITIES			
316	1. Accrued expenses	7	49,104,530	47,600,000
319	2. Fund management fee payable	8	98,899,001	119,216,383
300	TOTAL LIABILITIES		148,003,531	166,816,383
400	III. NET ASSET VALUE ATTRIBUTABLE TO HOLDERS OF FUND UNITS (III=I-II)		48,720,787,203	69,798,407,242
411	1. Contributed capital		45,101,000,000	66,629,000,000
412	1.1 Capital from subscription	9	80,316,000,000	80,316,000,000
413	1.2 Capital from redemption	9	(35,215,000,000)	(13,687,000,000)
414	2. Contributed premium	9	(1,800,135,900)	(570,039,700)
420	3. Retained earnings	10	5,419,923,103	3,739,446,942
430	IV. NET ASSET VALUE PER FUND UNIT	9	10,803	10,476

Fides (Vietnam) Fund Management Joint Stock Company
Fides VN Bond Fund

INTERIM STATEMENT OF FINANCIAL POSITION (continued)
as at 30 June 2023

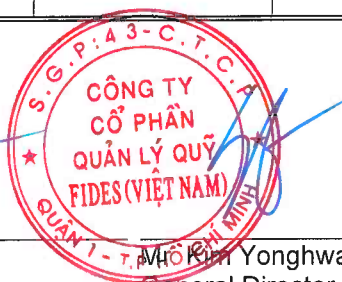
B02g-QM

OFF BALANCE SHEET ITEM

Code	ITEMS	Notes	30 June 2023 VND	31 December 2022 VND
004	1. Number of outstanding fund units	9	4,510,100	6,662,900

Ms. Trương Thị Huyền
Preparer

Ms. Trương Thị Huyền
Chief Accountant



Mr. Kim Yonghwan
General Director

Ho Chi Minh City, Vietnam

14 August 2023

Fides (Vietnam) Fund Management Joint Stock Company
Fides VN Bond Fund

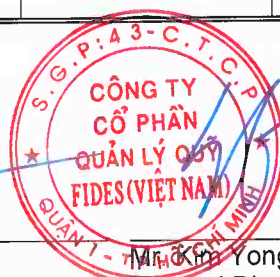
INTERIM STATEMENT OF CHANGES IN NET ASSET VALUE,
TRANSACTIONS OF FUND UNITS
For the six-month period ended 30 June 2023

B03g-QM

Code	ITEMS	For the six-month period ended 30 June 2023 VND	For the period from 4 January 2022 to 30 June 2022 VND
I	Beginning balance of the Fund's Net Asset Value (NAV)	69,798,407,242	-
II	Changes in NAV during the period	1,680,476,161	1,610,985,925
II.1	In which: - Changes in NAV arising from market fluctuation and the Fund's investment activities during the period	1,680,476,161	1,610,985,925
III	Changes in NAV due to redemption of and subscription for fund units	(22,758,096,200)	80,313,973,200
III.1	In which: - Proceeds from initial offering of fund units	-	80,316,000,000
III.2	- Proceeds from issue of fund units in subscriptions	-	-
III.3	- Payment on repurchase of fund units in redemptions	(22,758,096,200)	(2,026,800)
IV	Ending balance of the Fund's NAV	48,720,787,203	81,924,959,125

Ms. Trương Thị Huyền
Preparer

Ms. Trương Thị Huyền
Chief Accountant



Mr. Kim Yonghwan
General Director

Ho Chi Minh City, Vietnam

14 August 2023

Fides (Vietnam) Fund Management Joint Stock Company
Fides VN Bond Fund

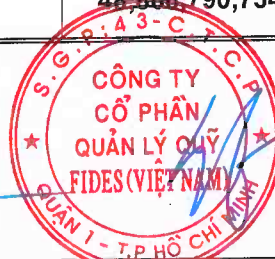
INTERIM STATEMENT OF INVESTMENT PORTFOLIO
as at 30 June 2023

B04g-QM

No.	Items	Quantity	Market price as at 30 June 2023 VND	Total value VND	Proportion to the Fund's total assets as at 30 June 2023 (%)
I	Bonds			11,310,205,465	23.14
1	Listed bonds			8,010,205,465	16.39
1.1	VND122013	80,000	100,127.57	8,010,205,465	16.39
2	Unlisted bonds			3,300,000,000	6.75
2.1	PDRBOND	33	100,000,000.00	3,300,000,000	6.75
II	Other assets			639,785,721	1.31
1	Accrued interest income from bonds			262,231,373	0.54
2	Accrued interest income from certificates of deposit			364,465,755	0.75
3	Accrued interest income from term deposits			13,088,593	0.03
III	Cash			36,918,799,548	75.55
1	Cash at banks			15,918,799,548	32.57
1.1	- Demand deposits			8,636,974,680	17.67
1.2	- Deposits with term less than three (3) months			7,281,824,868	14.90
2	Certificate of deposit			21,000,000,000	42.97
IV	Total investment portfolio			48,868,790,734	100.00

Ms. Trương Thị Huyền
Preparer

Ms. Trương Thị Huyền
Chief Accountant



Mr. Kim Yonghwan
General Director

Ho Chi Minh City, Vietnam

14 August 2023

Fides (Vietnam) Fund Management Joint Stock Company
Fides VN Bond Fund

INTERIM STATEMENT OF CASH FLOWS
for the period of six-months ended 30 June 2023

B05g-QM

Code	ITEMS	Notes	For the six-month period ended 30 June 2023 VND	For the period from 4 January 2022 to 30 June 2022 VND
	I. CASH FLOWS FROM INVESTING ACTIVITIES			
01	1. Profit before corporate income tax		1,680,476,161	1,610,985,925
02	2. Adjustments to reconcile profit before tax to net cash flows:		(339,509,770)	294,143,675
	<i>In which:</i>			
03	Unrealized gain from revaluation of investments		(341,014,300)	248,168,537
04	Accrued expenses		1,504,530	45,975,138
05	3. Profit from investing activities before adjustments in working capital		1,340,966,391	1,905,129,600
20	Decrease/(increase) in investments		31,805,967,393	(54,000,489,851)
07	Decrease/(increase) in accrued interest income from investments		956,500,856	(775,388,819)
17	Decrease/(increase) in fund management fee payables		(20,317,382)	126,350,371
19	Net cash flows from/(used in) investing activities		34,083,117,258	(52,744,398,699)
	II. CASH FLOWS FROM FINANCING ACTIVITIES			
31	1. Proceeds from issue of fund units		-	80,316,000,000
32	2. Payment on repurchase of fund units		(22,758,096,200)	(2,026,800)
30	Net cash (used in)/from financing activities		(22,758,096,200)	80,313,973,200
40	III. Net increase in cash and cash equivalents during the period		11,325,021,058	27,569,574,501

Fides (Vietnam) Fund Management Joint Stock Company
Fides VN Bond Fund

INTERIM STATEMENT OF CASH FLOWS (continued)
for the period of six-months ended 30 June 2023

B05g-QM

Code	ITEMS	Notes	For the six-month period ended 30 June 2023 VND	For the period from 4 January 2022 to 30 June 2022 VND
50	IV. Cash and cash equivalents at beginning of period	4	4,593,778,490	-
51	Cash at banks at beginning of period:		4,593,778,490	-
52	- Cash at bank for the Fund's operation		4,593,778,490	-
	<i>In which:</i>			
	<i>Deposit with term less than three (3) months</i>		3,000,000,000	-
	<i>Demand deposits for operation of the Fund</i>		1,593,778,490	-
55	V. Cash and cash equivalents at end of period	4	15,918,799,548	27,569,574,501
56	Cash at banks at end of period:		15,918,799,548	27,569,574,501
57	- Cash at bank for the Fund's operation		15,918,799,548	27,569,574,501
	<i>In which:</i>			
	<i>Deposits with term less than three (3) months</i>		7,281,824,868	15,760,851,702
	<i>Demand deposits for operation of the Fund</i>		8,636,974,680	11,808,722,799
60	VI. Change in cash and cash equivalents during period		11,325,021,058	27,569,574,501

Ms. Trương Thị Huyền
Preparer

Ms. Trương Thị Huyền
Chief Accountant



Mr. Kim Yonghwan
General Director

Ho Chi Minh City, Vietnam

14 August 2023

Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS
as at 30 June 2023 and for the period of six-months ended 30 June 2023

BM06g-QM

1. THE FUND'S OPERATIONS

1.1 General information

The Fund

Fides VN Bond Fund ("the Fund") was established as an open-ended fund in Vietnam pursuant to Initial Public Offering Certificate No. 204/GCN-UBCK dated 30 September 2021 and Public Fund Establishment Registration Certificate No. 01/GCN-UBCK dated 4 January 2022 granted by the State Securities Commission. The Fund was licensed to operate for an indefinite period.

The Fund has no employee and is managed by Fides (Vietnam) Fund Management Joint Stock Company ("the Fund Management Company").

The Fund is located at Fides (Vietnam) Fund Management Joint stock company, Room No. 1404, 14th Floor, Empress Tower, 138 - 142 Hai Ba Trung Street, Da Kao Ward, District 1, Ho Chi Minh City.

Supervisory and Custodian Bank

The Supervisory and Custodian Bank of the Fund is Shinhan Bank Vietnam Limited. The Supervisory and Custodian Bank was appointed by the General Meeting of Investors to carry out the depository of securities, economic contracts and related documents of assets of the Fund as well as supervise the Fund's activities. Rights and obligations of the Supervisory and Custodian Bank are stipulated in the Charter of the Fund.

Fund Management Company

The Fund Management Company was established in accordance with License No. 43/UBCK-GP issued by the State Securities Commission on 11 November 2008 and amendment licenses and is the authorized representative of the Fund, on behalf of the Fund to execute the ownership towards the assets of the Fund in an honest and careful manner. The Fund Management Company complies with the provisions of law and the charter of the Fund Management Company and manages the Fund's assets as stipulated in the Charter of the Fund in compliance with the rules of professional ethics, voluntariness, fairness, honesty and for the best interests of the Fund.

1.2 The Fund's operations

Capital

Total number of initial distributed fund units was 8,031,600 units amounting to VND80,316,000,000 and accounting for 160.63% of 5,000,000 fund units expected to be offered at par value of VND10,000 per fund unit. As at 30 June 2023, the Fund's contributed capital is VND45,101,000,000 at par, equivalent to 4,510,100 fund units.

Investment objectives

The Fund's main investment objective is seeking capital growth and income for investors by investing in fixed income and high credit quality assets.

Investment objectives of the Fund may be changed according to the decision of investors in accordance with current regulations of Vietnamese law and reported to the State Securities Commission of Vietnam.

Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

BM06g-QM

1. THE FUND'S OPERATIONS (continued)

1.2 *The Fund's operations* (continued)

Investment strategy

The Fund asset allocation is flexible, suitable with the defensive or offensive investment strategy depending on the available investment opportunities at various times. Asset allocation may vary significantly depending on the Fund Management Company outlook, with the goal of protecting the interests of the investors throughout the operating time.

The above-mentioned asset allocation depends on the available investment opportunities and the assessment of investment team regarding the risks and returns on these available investment asset classes.

The Fund will mainly invest in Vietnam Government bonds, municipal bonds, Government guaranteed bonds, listed corporate bonds, public fund certificates, and corporate bonds issued by listed issuers with payment guarantees of credit institutions or repurchase commitments by issuers. In addition, the Fund may consider investing a certain proportion in a portfolio of large capitalization and high liquidity stocks listed on the HSX and/or HNX exchanges.

Frequency of computing Net asset value

- ▶ Weekly Valuation Period: Fund is valued weekly on Wednesdays. In case the valuation date of the weekly valuation period falls on a holiday, the valuation date is the immediately following working day according to the Fund Management notification.
- ▶ Monthly Valuation Period: Fund is valued monthly on the first day of the following month and does not change even if the valuation date falls on a holiday or public holiday.

Trading day

Fund unit may be traded on every Wednesday, in the case Wednesday is a Business Day. Should a Wednesday not be the Business Day, the Trading Day will be the subsequent Business Day according to the Fund Management notification.

Investment restrictions

The investments of the Fund shall be diversified and fulfil conditions under the prevailing Law. The investment portfolio of Fund shall have to comply with the following principles:

- a. The Fund shall be invest in treasury bills, bonds, valuable papers and other fixed income instruments with an investment proportion in these assets representing eighty percent (80%) of the net asset value or more;
- b. Not to invest in securities of an issuer which is more than 10% of total value of outstanding securities issued by that issuer, except for Government's debt instruments;
- c. Not to invest more than 20% of the Fund's total asset value in circulating securities and the following assets (if any) of an issuer, except for Government's debt instruments;
 - i. Deposits at commercial banks in accordance with banking law;
 - ii. Money market instruments including valuable papers, transferable instruments in accordance with relevant laws and regulations;

Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

BM06g-QM

1. THE FUND'S OPERATIONS (continued)

1.2 The Fund's operations (continued)

Investment restrictions (continued)

- d. Do not invest more than 30% of the Fund's total asset value in the following assets which are issued by companies in the group having ownership relationship belonging to these cases: parent company, subsidiary company; companies owning more than 35% of each other's shares and contributed capital; group of subsidiaries having the same parent company. In which, the investment in derivatives is calculated by the committed value of the contract determined according to the provisions in Appendix 14 issued together with Circular No. 98/2020/TT-BTC guiding the operation and management of securities investment fund:
 - i. Deposits at commercial banks in accordance with banking law;
 - ii. Money market instruments including valuable papers, transferable instruments in accordance with relevant laws and regulations;
 - iii. Listed shares, shares registered for trading, bonds listed on the Stock Exchange, public fund certificates;
 - iv. Shares offered for the first time to the public, bonds offered to the public; corporate bonds issued privately by a listed organization with a payment guarantee of a credit institution or a repurchase commitment of the issuer at least one (01) time in twelve (12) months and each time commit to buy back at least 30% of the issuance value. The investment in these assets must be approved in writing by the Board of Fund Representatives on the type of securities, tickers, quantity, transaction value, and time of implementation; and have sufficient documents proving the payment guarantee or documents of the issuer's commitment to buy back.
- e. Do not invest more than 10% of the Fund's total asset value in assets that are shares offered for the first time to the public, bonds offered to the public; corporate bonds issued privately by a listed organization with a payment guarantee of a credit institution or a repurchase commitment of the issuer at least one (01) time in twelve (12) months and each time commit to buy back at least 30% of the value of the issuance;
- f. At any time, outstanding borrowings and payables of the Fund shall not exceed the net asset value of the Fund;
- g. Not to invest in Fund Certificates of the fund itself;
- h. Only invest in other public fund certificates, public securities investment companies managed by other fund management companies and ensure the following restrictions:
 - i. Do not invest in more than 10% of the total outstanding fund certificates of a public fund, outstanding shares of a public securities investment company;
 - ii. Do not to invest more than 20% of the fund's total asset value in fund certificates of a public fund, shares of a public securities investment company;
 - iii. Do not invest more than 30% of the total asset value of the fund in public fund certificates, shares of public securities investment companies;
- i. Do not to invest directly in real estate, precious stones, and rare metals;
- j. The Fund may only invest deposits at commercial banks in accordance with the banking law; money market instruments include valuable papers, negotiable instruments in accordance with the law issued by credit institutions on the list approved in writing by the Fund Representative Board.

Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

BM06g-QM

1. THE FUND'S OPERATIONS (continued)

1.2 The Fund's operations (continued)

Investment restrictions (continued)

The Fund's investment structure may exceed the investment limitations given for point (a), (b), (c), (d) and (g) but only due to the following reasons:

- a. Fluctuations in market prices of the assets in the Fund's investment portfolio;
- b. Fulfilment of legitimate payments of the Fund according to the law, including execution of transaction orders of investors;
- c. Merger and consolidation activities of issuers of securities held by the Fund;
- d. Fund is just approved for establishment, or in the process of splitting, merging or consolidating that operation period is less than six (6) months since the date of the registration certificate; or
- e. The Fund is under dissolution.

In case a deviation from the investment limitations occurs, the Fund Management Company shall adjust the investment portfolio to satisfy the investment limits as regulated within three (3) months from the day on which the deviation arose.

In the case that the deviation arises because Fund Management Company has not applied investment limitations as set out in the Law or Charter or Prospectus, Fund Management Company must adjust the investment portfolio within fifteen (15) days from the day on which the deviation occurs and bear all expenses incurring in relation to these transactions and damage (if any). If profit incurs, it must be recognized as income of the Fund.

2. BASIS FOR PREPARATION

2.1 Accounting standards and system

The interim financial statements of the Fund are prepared in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System applicable to open-ended funds as per Circular No. 198/2012/TT-BTC ("Circular 198") dated 15 November 2012 stipulating the accounting system applicable to open-ended funds, Circular No. 98/2020/TT-BTC ("Circular 98") issued by the Ministry of Finance dated 16 November 2020 guiding the operation and management of securities investment funds and Circular No. 181/2015/TT-BTC dated 13 November 2015 stipulating the accounting system applicable to Exchange Traded Fund issued by the Ministry of Finance.

The interim financial statements are prepared based on historical cost, except for investments measured at fair value (*Note 3.3*).

Accordingly, the accompanying interim financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the interim financial position and interim investment portfolio, result of operations, changes in net asset value, transactions of fund units and interim cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

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2. BASIS FOR PREPARATION (continued)

2.1 Accounting standards and system (continued)

According to Circular 198, the Fund's interim financial statements include the following reports:

1. The interim income statement
2. The interim statement of financial position
3. The interim statement of changes in net asset value, transactions of fund units
4. The interim statement of investment portfolio
5. The interim statement of cash flows
6. Notes to the interim financial statements

2.2 Registered accounting documentation system

The Fund's applied accounting documentation system is the General Journal system.

2.3 Fiscal year

The Fund's first fiscal year starts on 4 January 2022 (the date of establishment) and ends on 31 December 2022. The Fund's next fiscal year applicable for preparation of its financial statements start on 1 January and end on 31 December.

The Fund also prepares the interim financial statements for the six-month period ended 30 June to submit to the regulatory bodies to meet requirements of Circular 198 and Circular 96/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020.

2.4 Accounting currency

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

2.5 Compliance statement

The Board of Management of the Fund Management Company affirms these interim financial statements comply with Vietnamese Accounting Standards, Vietnamese Accounting System applicable to open-ended funds and the statutory requirements relevant to preparation and presentation of open-ended funds' interim financial statements.

2.6 Basis for preparation

The financial period applicable for the preparation and presentation of these interim financial statements is from 1 January 2023 to 30 June 2023, whereas the financial period applicable for the preparation and presentation of corresponding figures is from 4 January 2022 (date of establishment) to 30 June 2022. Accordingly, the corresponding figures of the interim income statement, the interim statement of changes in net asset value, transactions of fund units, the interim statement of cash flows and the related notes to the interim financial statements are not comparable with those of the current period due to difference in reporting period

Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

BM06g-QM

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 *Accounting estimates*

The preparation of the interim financial statements is compiled in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System applicable to open-ended funds and statutory requirements relevant to preparation and presentation of open-ended funds' interim financial statements which requires the Board of Management of the Fund Management Company make estimates and assumptions that affect the reported amounts of assets, liabilities, the disclosures of contingent assets and liabilities as at the date of the interim financial statements as well as the reported amount of revenues and expenses during the reporting period. Though these accounting estimates are based on the best knowledge of the Board of Management of the Fund Management Company, the actual results may differ.

3.2 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at banks for the Fund's operation, cash of investors for purchasing fund units waiting for allotment, blocked deposits and term deposits at banks with an original maturity no longer than three (3) months from transaction dates and short-term investments with maturity no longer than three (3) months that are liquid and readily convertible into known amounts of cash, subject to an insignificant risk of change in value and used for the purpose of meeting commitments of short-term cash payment rather than investment purpose or others.

3.3 *Investments*

The Fund's investments include investments in listed bonds, unlisted bonds and certificates of deposit.

Classification

Listed securities purchased under trading purpose are classified as trading securities.

Initial recognition

Investments are initially recognized at cost that includes only purchase price without any attributable transaction costs.

Purchase price of bonds, certificates of deposit and bank deposits, excluding accrued interest (clean price), are recorded in "Investments". The accrued interest not yet entitled to receive up to the acquisition date are recorded in "Accruals for interest and dividend income from investments" in the interim statement of financial position.

Subsequent recognition

Investments presented in the interim statement of financial position are subsequently measured based on the following principles:

- ▶ Certificates of deposit and deposits with term more than three (3) months are measured at fair value;
- ▶ Listed, unlisted securities and other assets, are measured at fair value.

Net profit from investments after the date of acquisition is recognized in the interim income statement.

The accumulated interest receivables from deposits, treasury bills, bank bills, commercial papers, transferable certificates of deposit, bonds and other debt instruments are recorded in "Receivables, accrual for interest and dividends income from investments" in the interim statement of financial position.



Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

BM06g-QM

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Investments (continued)

Revaluation for NAV determination

Investments are revaluated on valuation date at fair value. Revaluation method is regulated in the Valuation Manual in accordance with the asset valuation method as set out in the Fund Charter and Circular No. 98/2020/TT-BTC dated 16 November 2020 guiding the operation and management of securities investment funds and is approved by the Fund Representative Board. The gain or loss arising from the revaluation of investments are recognized in the interim income statement in accordance with Circular No. 198/2012/TT-BTC dated 15 November 2012 stipulating the accounting system applicable to open-ended funds of the Ministry of Finance.

Principles of valuation

No.	Type of asset	Principles for valuation of transactions on the market
Cash and cash equivalents, money market instruments		
1.	Cash (VND)	Cash balance on date prior to the Valuation Date.
2.	Foreign currency	The value is convertible into VND according to prevailing exchange rate at credit institutions which are permitted to do business in foreign exchange on date prior to the Valuation Date.
3.	Term deposit	Deposit value plus accumulated interest has not been paid as of the date prior to the Valuation Date.
4.	Treasury bills, transferable certificates of deposits, bonds and discounted money market instruments	Purchase price plus accumulated interest as of the date prior to the Valuation Date.
5.	Non-interest instruments including treasury bills, bonds, valuable papers and other instruments	Quoted price posted on the transaction system of the Stock Exchange; in the absence of the quoted price, the price is determined according to the discounted cash flows model in reliance on the bid-awarding interest rate or another designated by the Fund Representative Board and time period of holding such instruments.

Fides (Vietnam) Fund Management Joint Stock Company
Fides VN Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Investments (continued)

Principles of valuation (continued)

No.	Type of asset	Principles for valuation of transactions on the market
Bonds		
6.	Listed bonds	<ul style="list-style-type: none"> - In case there is a transaction within fifteen (15) days from the Valuation Date and the price has no abnormal fluctuations, it shall be average quoted price on stock exchange (or otherwise called according to the regulations adopted by the Stock Exchange) of ordinary transactions made on the latest trading date before the Valuation Date plus accrued interest (to the extent that the quoted price does not include the accrued interest). - In case of no transaction in more than fifteen (15) days from the Valuation Date; or in case of fluctuation in the bond price is abnormal in comparison with the latest valuation period, it shall be one of the following prices in order of priority from top to bottom: <ul style="list-style-type: none"> + Quoted clean price at the latest Valuation Date but not more than thirty (30) days from the Valuation Date plus accumulated interest to the date prior to the Valuation Date; or + Purchase price plus accumulated interest; or + Price determined by the other methods which are approved by the Fund Representative Board
7.	Listed bonds - Convertible Bonds into Shares	<ul style="list-style-type: none"> - At the day before conversion date, the price is determined according to corporate listed bonds above. - At the conversion date, the price is determined according to the criteria of the Shares section.
8.	Unlisted bonds	<ul style="list-style-type: none"> - Priority is given to one of the following prices in order from top to bottom: <ul style="list-style-type: none"> + Purchase price plus accumulated interest; + Face value plus accumulated interest; or + Price determined by the other methods which are approved by the Fund Representative Board - For Convertible Bonds into Shares: at the day before conversion date, the price is determined according to unlisted bonds above. At the conversion date, the price is determined according to the criteria of the Shares section.

Fides (Vietnam) Fund Management Joint Stock Company
Fides VN Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

BM06g-QM

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Investments (continued)

Principles of valuation (continued)

No.	Type of asset	Principles for valuation of transactions on the market
Shares		
9.	Shares listed on the Stock Exchange (HSX, HNX)	<ul style="list-style-type: none"> - Closing price (or otherwise called according to the regulations adopted by the Stock Exchange) of the latest trading date before the Valuation Date. - In case of no transaction in more than fifteen (15) days from the Valuation Date, it shall be one of the following prices in order of priority from top to bottom: <ul style="list-style-type: none"> + Price at the latest Valuation Date but not more than three (3) months from the date prior to the Valuation Date; or + Book value; + Purchase price; + Price determined by the other methods which are approved by the Fund Representative Board.
10.	Shares of a public company registered for trading on the UPCOM system	<ul style="list-style-type: none"> - Closing price (or otherwise called according to the regulations adopted by the Stock Exchange) of the latest trading date before the date prior to the Valuation Date. - In case of no transaction in more than fifteen (15) days from the Valuation Date, it shall be one of the following prices in order of priority from top to bottom: <ul style="list-style-type: none"> + Price at the latest Valuation Date but not more than three (3) months from the date prior to the Valuation Date; or + Book value; + Purchase price; + Price determined by the other methods which are approved by the Fund Representative Board.

Fides (Vietnam) Fund Management Joint Stock Company
Fides VN Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

BM06g-QM

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Investments (continued)

Principles of valuation (continued)

No.	Type of asset	Principles for valuation of transactions on the market
Shares (continued)		
11.	Shares registered, deposited but not listed, not registered for trading	<ul style="list-style-type: none"> - Average value based on quotation (average price of transactions in the period) of at least three (03) organizations providing quotation. - In case there are not enough quotations from at least three (03) organizations providing quotation, priority is given to one of the following prices in order from top to bottom: <ul style="list-style-type: none"> + Price at the latest Valuation Date but not more than three (3) months from the date prior to the Valuation Date; or + Book value; + Purchase price; + Price determined by the other methods which are approved by the Fund Representative Board.
12.	Listed shares or shares registered for trading are transferred to other stock exchange	Share price will be determined by the closing price on the last trading day before the stock exchange transferring date.
13.	Shares are suspended from trading, or delisted or unregistered for trading	<ul style="list-style-type: none"> - Priority is given to one of the following prices in order from top to bottom: <ul style="list-style-type: none"> + Book value according to the latest audited or reviewed financial statements; + Face value; + The price is determined by the method which is submitted to the Fund Representative Board for approval for each specific case and approved by the Fund Representative Board.
14.	Shares of organizations falling into winding-up or bankruptcy	<ul style="list-style-type: none"> - Priority is given to one of the following prices in order from top to bottom: <ul style="list-style-type: none"> + 80% of liquidating value of such shares on the latest date of preparing balance sheet to the date prior the Valuation Date; or + Price is determined by the other methods which are approved by the Fund Representative Board.
15.	Right issue to buy share	<ul style="list-style-type: none"> - It is determined: <ul style="list-style-type: none"> + Value of the right = $\text{Max}\{0; (\text{Closing price of the latest trading date before the Valuation Date} - \text{Issuing price}) \times \text{conversion rate}\}$

Fides (Vietnam) Fund Management Joint Stock Company

Fides VN Bond Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Investments (continued)

Principles of valuation (continued)

No.	Type of asset	Principles for valuation of transactions on the market
Fund Certificates		
16.	Listed public fund certificates	<ul style="list-style-type: none"> - Closing price (or otherwise called according to the regulations adopted by the Stock Exchange) of the latest trading date before the Valuation Date. In case of no transaction in more than fifteen (15) days from the Valuation Date, priority is given to one of the following prices in order from top to bottom: <ul style="list-style-type: none"> + NAV per fund unit at the latest date publicized by the public fund prior to the Valuation Date; or + Purchase price; + The price is determined by the method which is submitted to the Fund Representative Board for approval for each specific case and approved by the Fund Representative Board.
17.	Unlisted public fund certificates	<ul style="list-style-type: none"> Priority is given to one of the following prices in order from top to bottom: <ul style="list-style-type: none"> + NAV per fund unit at the latest date publicized by the public fund prior to the Valuation Date; or + Purchase price + The price is determined by the method which is submitted to the Fund Representative Board for approval for each specific case and approved by the Fund Representative Board.
Other assets		
18.	Other permitted investment assets	Price is determined by the methods which are approved by the Fund Representative Board.

Derecognition

Securities investments are derecognized when the rights to receive cash flows from those investments in securities are terminated or the Fund does not hold almost risks and benefits associated with ownership of securities.

Cost of trading securities is calculated by using the weighted average method.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 *Net asset value and net asset value per fund unit*

Net asset value is the total market value or fair value (in case of no market value) of assets held by the Fund after deducting its related liabilities including liabilities, payment obligations on the date immediately preceding the valuation day.

Net asset value per fund unit is calculated by dividing net asset value by the total number of fund units outstanding as at the most recent trading day immediately preceding the valuation day. Net asset value is rounded in accordance with accounting and auditing regulations. The balance arising from the rounding of the Fund's net asset value is recorded in the Fund.

3.5 *Contributed capital and surplus*

3.5.1 *Contributed capital*

The Fund's units with discretionary dividends are classified as contributed capital, which includes capital from subscription and capital from redemption.

Capital from subscription reflects initial and supplementary capital contribution. Based on the result of releasing eligible blocked capital contribution and the confirmation of valid capital contribution from transfer agents (for initial offering), or credit advices from the Supervisory Bank attached with a detailed list of valid proceeds from subscriptions (for subsequent offerings), the Fund Management Company recognizes capital from subscription.

Capital from redemption reflects repurchases of fund units from Fund Unit Holders. Based on confirmation of transfer agents attached with a summary of fund units redemption orders, the Fund Management Company recognizes capital from redemption.

Difference between capital from subscription and capital from redemption is contributed capital.

Contributed premium includes premium of capital from subscription and premium of capital from redemption.

- ▶ Premium of capital from subscription is the difference between issue price and face value.
- ▶ Premium of capital from redemption is the difference between repurchase price of fund units and face value.

3.5.2 *Retained earnings*

Retained earnings reflect undistributed gain/loss as at the reporting date, which includes realized profit and unrealized profit.

Realized profit is the difference between the Fund's total income and expense cumulatively incurred the period.

Unrealized profit is the difference between total gain and loss cumulatively incurred from revaluation of the Fund's investments in the period.

At the end of the fiscal year, the Fund calculates its realized and unrealized profit during the period and records them in "Retained earnings".

3.5.3 *Profit/assets distributed to investors*

This account reflects the profit/assets distributed to investors during the period and the transfer of distributed profit amount to "Retained earnings" at the end of the period.

The open-ended fund recognizes the profit/assets distributed to investors in accordance with Fund Prospectus, Authorized Decision of the Fund Representative Board (in the latest period), Resolution by the General Meeting of Investors in compliance with the Fund Charter and prevailing securities laws.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Receivables

Receivables are presented in the interim financial statements as the carrying value of receivables from sales of investments, dividends and interest income from investments and other receivables.

Provision for doubtful debts is set up based on the aging schedule of overdue debts or expected losses which may occur in case where a debt has not been due for payment, but an economic organization has become bankrupt or liquidated; or individual debtor is missing, ran away, being prosecuted, under a trial or serving a sentence or dead. Provision expense is recognized into expense of the interim income statement.

The Fund has made provision for doubtful receivables in accordance with Circular No. 48/2019/TT-BTC as follows:

<u>Overdue period</u>	<u>Provision rate</u>
From six (6) months to under one (1) year	30%
From one (1) year to under two (2) years	50%
From two (2) years to under three (3) years	70%
From three (3) years and above	100%

3.7 Payables and accrued expenses

Payables and accrued expenses are presented in the interim financial statements at cost, relating to payables for repurchase of fund units, payables for trading securities, remuneration payables to the Fund Representative Board, payables to the Fund Management Company and the Supervisory Bank and other payables.

3.8 Expenses

The Fund's expenses are recognized on accrual basis. The major expenses of the Fund at each period are as below:

3.8.1 Fund management fee

According to Circular No. 102/2021/TT-BTC dated 17 November 2021, the maximum amount of fund management fee that the Fund pays to its Fund Management Company equals to 2% its net asset value. Accordingly, fund management fee is calculated at 1.0% per annum (at 1,5% per annum for the period from the date of establishment to 31 May 2022) on the Fund's net asset value at the date preceding the valuation date, recognized as the Fund's expenses at each valuation period, calculated and accumulated daily and paid monthly to the Fund Management Company.

3.8.2 Fund administration fee

Fund administration fee is calculated at 0.03% per annum of the Fund's net asset value at the date preceding the valuation date, with the minimum of VND10,000,000 per month, exclusive of value-added tax. From 1 May 2023, the minimum fee for fund administration fee is VND5,000,000 per month. The fund administration fee is calculated and accumulated daily and paid monthly to the fund administration service provider.

The price for the service of preparing financial statements as prescribed by law is VND15,000,000 per month for the period from 1 January 2023 to 30 April 2023, exclusive of value-added tax. Afterward, the price for the service of preparing financial statements is zero.

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Expenses

3.8.3 Transfer agency services fee

Transfer agency fee is VND10,000,000 per month, exclusive of value-added tax, is calculated and accumulated daily and paid monthly to the transfer agent.

3.8.4 Supervisory fee

Supervisory fee is calculated at 0.03% per annum of the Fund's net asset value at the date preceding the valuation date, with the minimum of VND10,000,000 per month, exclusive of value-added tax. From 1 May 2023, the minimum fee for supervisory fee is VND20,000,000 per month. Supervisory fee is calculated and accumulated daily and paid monthly to the Supervisory Bank.

3.8.5 Custody fee

Custody fee is calculated at 0.05% per annum of the Fund's net asset value at the date preceding the valuation date, with the minimum of VND10,000,000. From 1 May 2023, the minimum fee for custodian fee is VND 20,000,000 per month. The fee is exclusive of depository fee payable to the Vietnam Securities Depository, fee of purchasing/selling listed securities and withdrawing/depositing certificates of ownership of bonds/Certificates of deposit, etc. The supervisory fee is calculated and accumulated daily and paid monthly to the Supervisory Bank.

3.8.6 Transaction fee

The Fund has an obligation to pay to the Supervisory Bank a fee of VND100,000 per its transaction of purchasing/selling listed securities and withdrawing/depositing certificates of ownership of bonds/Certificates of deposit, etc.

3.9 Revenue recognition

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

Dividends

Dividend income is recognized when the Fund's entitlement as an investor to receive the dividend is established.

Interest (including the interest from deposits, certificates of deposit and bonds)

Revenue is recognized on an accrual basis (taking into account the effective yield on the asset) unless collectability is in doubt.

Income from securities trading activities

Income from securities trading activities is recognized into the interim income statement when the Fund receives deal confirmations, which are certified by the Custodian Bank (for listed securities) and when assets transfer contracts are settled (for unlisted securities).

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 Tax

Under the Vietnamese current regulations, the Fund is not subject to corporate income tax. However, the Fund is required to withhold income tax of individual and institutional unit holders participating in the following transactions:

Dividend payments to fund unit holders

When the Fund pays dividends to its fund unit holders, the Fund Management Company must comply with regulations on tax deduction and tax payment in accordance with Circular No. 78/2014/TT-BTC dated 18 June 2014, Circular No. 111/2013/TT-BTC dated 15 August 2013, Circular No. 92/2015/TT-BTC dated 15 June 2015 guiding the implementation of value added tax and personal income tax applicable to resident individuals conducting business activities; guiding the implementation of a number of amendments and supplements to personal income tax as provided in the Law amending and supplementing a number of articles of Tax Laws No. 71/2014/QH13 and Decree No. 12/2015/ND-CP dated 12 February 2015 of the Government detailing the implementation of the Law amending and supplementing some articles of the Tax Law and amending and supplementing some articles of the tax decrees, Circular No. 96/2015/TT-BTC dated 22 June 2015 guiding corporate income tax in the Decree No. 12/2015/ND-CP dated 12 February 2015 issued by the Government detailing the implementation of the law amending and supplementing a number of articles of the tax laws and amending and supplementing a number of articles of the tax decrees and amending and supplementing a number of articles of Circular No. 78/2014/TT-BTC dated 18 June 2014, Circular No. 119/2014/TT-BTC dated 25 August 2014, Circular No. 151/2014/TT-BTC dated 10 October 2014 issued by the Ministry of Finance, Official Letter No. 10945/BTC-TCT dated 19 August 2010 on tax policy for dividends to institutional investors.

When the Fund pay dividends to its institutional unit holders, regardless of domestic or foreign, Fund Management Company is required to withhold an amount of corporate income tax equal to 20% of distributed profit (except for distributed profit portions already imposed to corporate income tax in the previous stages and interest income collected from tax-free bonds in accordance with the current regulations). When the Fund pays dividends to its individual unit holders; it is required to withhold an amount of the personal income tax equal to 5% of distributed profit.

Redemption of fund units

The Fund Management Company is required to withhold, declare and pay income tax for repurchase from individuals (domestic or foreign) and from institutions classified as foreign in accordance with regulations on foreign exchange control. The applied tax rate for securities transfer transactions is 0.1% of transfer value in accordance with Circular No. 111/2013/TT-BTC dated 15 August 2013, Circular No. 78/2014/TT-BTC dated 18 June 2014, Circular No. 103/2014/TT-BTC dated 6 August 2014 issued by the Ministry of Finance, Circular No. 92/2015/TT-BTC dated 15 June 2015, Circular 25/2018/TT-BTC dated 16 March 2018 and supplementing, amending Circulars issued by Ministry of Finance.

The Fund Management Company does not withhold income tax of domestic institutional investors since these domestic organizations shall be responsible for their income tax declaration and payment.

3.11 Related parties

Parties/individuals are considered to be related if one party has the ability, directly or indirectly, to control other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Other investment funds under the management of the same Fund Management Company, the Fund Management Company and shareholders of the Fund Management Company are considered as related parties to the Fund. In the consideration of relationship of each related party, the substance of each party's relationship is more important than its legal form.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Off balance sheet items

Off balance sheet items stated in Circular No. 198/2012/TT-BTC dated 15 November 2012 issued by the Ministry of Finance on accounting regime applicable to open-ended funds are presented in the relevant notes in these interim financial statements.

3.13 Financial instruments

Financial instruments – initial recognition and presentation

Financial assets

Financial assets within the scope of Circular No. 210 /2009/TT-BTC dated 6 November 2009 issued by the Ministry of Finance providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments ("Circular 210") are classified, for disclosures in the notes to the financial statements, as financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables or available-for-sale financial assets as appropriate. The Fund determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at cost plus directly attributable transaction costs.

The Fund's financial assets include cash, short-term deposits, other receivables and accrued interest and dividends receivable, interest from investment activities.

Financial liabilities

Financial liabilities within the scope of Circular 210 are classified, for disclosures in the notes to the interim financial statements, as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost as appropriate. The Fund determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at cost net of directly attributable transaction costs.

The Fund's financial liabilities include payables to distribution agents, accrued expenses, payables to investors for fund unit purchase and redemption, payables of fund management services and other payables.

Financial instruments – subsequent re-measurement

There is currently no guidance in Circular 210 in relation to subsequent re-measurement of financial instruments. Accordingly, the financial instruments are subsequently re-measured at cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 Nil balance

Items or balance stipulated in Circular No. 198/2012/TT-BTC dated 15 November 2012 regarding the accounting standards and systems for open-ended funds, which are not presented in these interim financial statements, are considered to be nil balance.

4. CASH AND CASH EQUIVALENTS

	30 June 2023 VND	31 December 2022 VND
Demand deposit at Supervisory and Custodian Bank for the Fund's operation	8,636,974,680	1,593,778,490
Deposits with term under three (3) months in VND	7,281,824,868	3,000,000,000
- Joint Stock Commercial Bank for Investment and Development of Vietnam	7,281,824,868	3,000,000,000
	15,918,799,548	4,593,778,490

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5. INVESTMENTS

	Cost VND	Market value or fair value VND	Revaluation difference			Fair value VND
			Increase VND	Decrease VND	Net difference VND	
30 June 2023						
Corporate bonds - listed	8,000,026,303	8,010,205,465	10,179,162	-	10,179,162	8,010,205,465
Corporate bonds - unlisted	3,300,000,000	3,300,000,000	-	-	-	3,300,000,000
Certificates of deposit	21,000,000,000	21,000,000,000	-	-	-	21,000,000,000
	32,300,026,303	32,310,205,465	10,179,162	-	10,179,162	32,310,205,465
31 December 2022						
Corporate bonds - listed	36,605,993,696	36,275,158,558	-	(330,835,138)	(330,835,138)	36,275,158,558
Corporate bonds - unlisted	6,500,000,000	6,500,000,000	-	-	-	6,500,000,000
Certificates of deposit	21,000,000,000	21,000,000,000	-	-	-	21,000,000,000
	64,105,993,696	63,775,158,558	-	(330,835,138)	(330,835,138)	63,775,158,558
Impact of the revaluation difference on investments in the income statement						341,014,300

Corporate bonds include:

- Listed corporate bonds issued by VNDIRECT Securities Corporation have term of 2 years, floating interest rate from 7 March 2022 to 6 March 2023 is 8.20% per annum and from 7 March 2023 to 6 March 2024 is 10.00%/ per annum, interest paid annually;
- Unlisted corporate bonds issued by Phat Dat Real Estate Development JSC have maturity of 2 years, interest rate at 12.00% per annum, interest paid every 3 months.

Certificate of deposits include:

- Certificate of deposit was Issued by VPBank SMBC Finance Company Limited have term of 6 months and interest rate at 11.00% per annum;
- Certificate of deposit was Issued by MB Shinsei Finance Limited Liability Company have term of 6 months and interest rate at 8.60% per annum;
- Certificate of deposit was Issued by Mirae Asset Finance Limited Liability Company have term of 6 months and interest rate at 8.50% per annum.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

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6. ACCRUALS FOR INTEREST AND DIVIDEND INCOME FROM INVESTMENTS

	30 June 2023 VND	31 December 2022 VND
Interest receivable from bonds	262,231,373	1,228,711,236
Interest receivable from certificates of deposit	364,465,755	365,602,739
Interest receivable from term deposits	13,088,593	1,972,602
	639,785,721	1,596,286,577

7. ACCRUED EXPENSES

	30 June 2023 VND	31 December 2022 VND
Audit fee	49,104,530	47,600,000

8. FUND MANAGEMENT FEE PAYABLE

	30 June 2023 VND	31 December 2022 VND
Payable to fund management service	39,999,002	59,716,381
Payable to preparing financial statements service	-	16,500,000
Payable to supervisory service	21,999,999	11,000,000
Payable to fund administration service	5,499,999	11,000,000
Payable to securities trading fee	400,000	-
Payable to transfer agency service	11,000,000	11,000,000
Payable to custodian service	20,000,001	10,000,002
	98,899,001	119,216,383

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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9. STATEMENT OF CHANGES IN OWNERS' EQUITY

	31 December 2022 VND	Movement during the period VND	30 June 2023 VND
Subscription capital			
Number of fund units	8,031,600	-	8,031,600
Subscription capital at par value	80,316,000,000	-	80,316,000,000
Subscription capital premium	-	-	-
Total subscription capital	80,316,000,000	-	80,316,000,000
Redemption capital			
Number of fund units	(1,368,700)	(2,152,800)	(3,521,500)
Redemption capital at par value	(13,687,000,000)	(21,528,000,000)	(35,215,000,000)
Redemption capital premium	(570,039,700)	(1,230,096,200)	(1,800,135,900)
Total redemption capital	(14,257,039,700)	(22,758,096,200)	(37,015,135,900)
Number of outstanding fund units	6,662,900	(2,152,800)	4,510,100
Outstanding share capital	66,058,960,300	(22,758,096,200)	43,300,864,100
Retained earnings	3,739,446,942	1,680,476,161	5,419,923,103
NAV	69,798,407,242		48,720,787,203
NAV per fund unit	10,476		10,803

10. RETAINED EARNINGS

	30 June 2023 VND	31 December 2022 VND
Realized profit	5,409,743,941	4,070,282,080
Unrealized profit/(losses)	10,179,162	(330,835,138)
	5,419,923,103	3,739,446,942

11. INTEREST INCOME

	For the six-month period ended 30 June 2023 VND	For the period from 4 January 2022 to 30 June 2022 VND
Interest from certificates of deposit	839,054,797	381,236,315
Interest from term deposits	130,505,755	450,082,938
	969,560,552	831,319,253

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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12. TRANSACTION EXPENSES FOR SECURITIES TRADING

For the six-month period ended 30 June 2023, the Fund's transactions are mainly conducted through the following securities companies:

No, (1)	Name of securities companies (2)	Relationship with the Fund Management Company (3)	Trading rate of the Fund at each securities company			Average trading fee on market (%) (8)
			Trading value of the Fund during the period VND (4)	Total trading value of the Fund during the period (*) VND (5)	Trading rate of the Fund at each securities company during the period (%) (6)=(4)/(5)	
1	KIS Vietnam Securities Corporation	No relationship	12,075,991,080	16,488,264,080	73.24	0.15-0.2
2	ASAM Securities Corporation	No relationship	4,412,273,000	16,488,264,080	26.76	0.15-0.2
Total			16,488,264,080		100.00	

(*) Total trading value of the Fund comprises of total trading value of listed bonds, unlisted bonds.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

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12. TRANSACTION EXPENSES FOR SECURITIES TRADING (continued)

	<i>For the six-month period ended 30 June 2023 VND</i>	<i>For the period from 4 January 2022 to 30 June 2022 VND</i>
Transaction expenses for selling investments	6,827,471	-
Transaction expenses for buying investments	-	6,285,720
	6,827,471	6,285,720

13. LOSS FROM DISPOSAL OF INVESTMENT

	<i>For the period of six-months ended 30 June 2023</i>		
	<i>Total value of securities sold/ matured in period VND</i>	<i>Weighted average cost at the end of transaction date VND</i>	<i>Gain/(loss) from selling securities VND</i>
Listed bonds	28,299,425,703	28,605,967,393	(306,541,690)
Unlisted bonds	3,200,000,000	3,200,000,000	-
	31,499,425,703	31,805,967,393	(306,541,690)

14. OTHER OPERATING EXPENSES

	<i>For the period of six-months ended 30 June 2023 VND</i>	<i>For the period from 4 January 2022 to 30 June 2022 VND</i>
Remuneration of the Fund Representative Board	45,000,000	45,000,000
Service fee for information verified by VSD	1,100,000	2,200,000
Bank charges	6,358,000	6,853,000
	52,458,000	54,053,000

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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15. NET ASSET VALUE

Net asset value for the six-month period ended 30 June 2023:

<i>Period of NAV</i>	<i>NAV VND</i>	<i>Number of fund units</i>	<i>NAV per fund unit VND</i>	<i>Changes of NAV per fund unit VND</i>
31/12/2022	69,798,407,242	6,662,900	10,476	
03/01/2023	69,803,979,583	6,662,900	10,477	1
10/01/2023	70,178,692,432	6,662,900	10,533	56
17/01/2023	70,263,146,976	6,662,900	10,545	12
31/01/2023	69,927,193,768	6,662,900	10,495	(50)
07/02/2023	58,044,352,231	5,512,900	10,529	34
14/02/2023	58,109,227,444	5,512,700	10,541	12
21/02/2023	58,176,141,263	5,512,700	10,553	12
28/02/2023	58,245,864,630	5,512,700	10,566	13
07/03/2023	58,450,818,789	5,511,700	10,605	39
14/03/2023	53,159,276,966	5,011,600	10,607	2
21/03/2023	53,196,881,954	5,011,600	10,615	8
28/03/2023	53,263,333,922	5,011,600	10,628	13
31/03/2023	53,291,811,817	5,011,600	10,634	6
04/04/2023	53,334,849,795	5,011,600	10,642	8
11/04/2023	53,497,262,458	5,011,600	10,675	33
18/04/2023	53,687,648,987	5,011,600	10,713	38
25/04/2023	48,369,225,707	4,511,600	10,721	8
30/04/2023	48,389,780,246	4,511,600	10,726	5
09/05/2023	48,450,780,956	4,511,600	10,739	13
16/05/2023	48,489,577,170	4,510,500	10,750	11
23/05/2023	48,527,812,421	4,510,200	10,760	10
30/05/2023	48,490,943,813	4,510,100	10,752	(8)
31/05/2023	48,529,190,451	4,510,100	10,760	8
06/06/2023	48,571,957,238	4,510,100	10,770	10
13/06/2023	48,605,487,890	4,510,100	10,777	7
20/06/2023	48,664,047,746	4,510,100	10,790	13
27/06/2023	48,703,252,540	4,510,100	10,799	9
30/06/2023	48,720,787,203	4,510,100	10,803	4
Average NAV for the period				54,540,833,086
Change in NAV per fund unit for the period - maximum				56
Change NAV per fund unit for the period - minimum				1

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15. NET ASSET VALUE (continued)

Net asset value for the period from 4 January 2022 (the date of establishment) to 30 June 2022:

<i>Period of NAV</i>	<i>NAV VND</i>	<i>Number of fund units</i>	<i>NAV per fund unit VND</i>	<i>Changes of NAV per fund unit VND</i>
11/01/2022	80,495,659,171	8,031,600	10,022	-
18/01/2022	80,412,922,553	8,031,600	10,012	(10)
25/01/2022	80,680,921,283	8,031,600	10,045	33
31/01/2022	80,557,615,584	8,031,600	10,030	(15)
06/02/2022	80,622,634,899	8,031,600	10,038	8
08/02/2022	80,499,098,471	8,031,600	10,023	(15)
15/02/2022	80,539,979,414	8,031,600	10,028	5
22/02/2022	80,705,295,541	8,031,600	10,048	20
28/02/2022	80,853,469,634	8,031,600	10,067	19
01/03/2022	80,629,167,022	8,031,600	10,039	(28)
08/03/2022	80,739,950,952	8,031,600	10,053	14
15/03/2022	80,591,831,716	8,031,600	10,034	(19)
22/03/2022	80,824,979,835	8,031,600	10,063	29
29/03/2022	80,847,631,439	8,031,600	10,066	3
31/03/2022	80,855,964,429	8,031,600	10,067	1
05/04/2022	81,361,430,279	8,031,600	10,130	63
12/04/2022	80,973,699,423	8,031,600	10,082	(48)
19/04/2022	81,172,250,497	8,031,600	10,107	25
26/04/2022	81,338,362,357	8,031,600	10,127	20
30/04/2022	81,235,054,795	8,031,600	10,114	(13)
03/05/2022	81,267,686,528	8,031,600	10,118	4
10/05/2022	80,936,104,151	8,031,600	10,077	(41)
17/05/2022	81,392,825,022	8,031,600	10,134	57
24/05/2022	81,154,049,593	8,031,400	10,105	(29)
31/05/2022	81,045,362,236	8,031,400	10,091	(14)
07/06/2022	80,970,028,651	8,031,400	10,082	(9)
14/06/2022	81,043,763,149	8,031,400	10,091	9
21/06/2022	81,043,902,000	8,031,400	10,091	-
28/06/2022	82,017,977,534	8,031,400	10,212	121
30/06/2022	81,924,959,125	8,031,400	10,201	(11)
Average NAV for the period				80,957,819,243
Change in NAV per fund unit for the period - maximum				121
Change NAV per fund unit for the period - minimum				-

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as at 30 June 2023 and for the period of six-months ended 30 June 2023

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16. NUMBER OF FUND CERTIFICATES IN CIRCULATION

Detail per period that the fund units could be redeemable:

	30 June 2023 (fund unit)	31 December 2023 (fund unit)
Up to one year	4,510,100	6,662,900

17. FINANCIAL RATIOS TO MEASURE THE OPERATING EFFECTIVENESS OF THE FUND

	For the six-month period ended 30 June 2023 (%)	For the period from 4 January 2022 to 30 June 2022 (%)
Expense ratio	2.71	2.56
Turnover ratio of investment portfolio	134.76	68.39

17.1 Expense ratio

Expense ratio is the performance ratio of operating expense of the Fund per one unit of net asset value. As at the date of the interim financial statements, this ratio shall be annualized by multiplying the six-month ratio by 2.

The expense ratio of the Fund is determined by the following formula:

$$\text{Expense ratio (\%)} = \frac{\text{Total operating expense} \times 100 (\%)}{\text{Average net asset value (NAV) in the period}}$$

The following expenses are excluded from total operating expenses for expense ratio calculation purposes:

- Interest expense;
- Gain or loss arising from foreign exchange differences (realized and unrealized);
- Deductible personal income tax of investors or income tax paid during the period (corporate income tax), including foreign contractor withholding tax;
- Transaction costs on buying, selling fund units and other related expense; and
- Dividends and other distribution amounts paid to the investors.

17.2 Turnover ratio

Turnover ratio of investment portfolio is the number of trading cycles of investment assets of the Fund in one (1) period. As at the date of the interim financial statements, this ratio shall be annualized by multiplying the six-month ratio by 2.

The turnover ratio of the Fund is determined by the following formula:

$$\text{Turnover ratio (\%)} = \frac{(\text{Total purchase value in the period} + \text{Total sales value in the period})/2 \times 100(\%)}{\text{Average net asset value (NAV) in the period}}$$

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18. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to market risk, credit risk and liquidity risk. The process of risk management is critical to the Fund's continuing profitability. The Fund Management Company has designed a risk control system to ensure a sufficient balance between expected cost of risk and risk management cost. The Board of Management of the Fund Management Company continuously monitors the process of risk management to ensure a sufficient balance between risk and risk control.

The Board of Management of the Fund Management Company has reviewed and decided to apply the following risk management policies for the above risks:

18.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four types of risk: interest rate risk, currency risk, price risk and other price risk, such as security price risk. Financial instruments affected by market risk include deposits and securities investments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in market's interest rate. Market risk due to interest rate fluctuation primarily relates to cash, bank deposits, corporate bonds and certificates of deposit. These assets are highly liquid in nature and the Fund holds these assets not for speculative purposes.

The Fund Management Company manages interest rate risk by looking at the competitive structure of the market to obtain rates which are favorable for its purposes within its risk management limits.

The Fund Management Company believes that interest rate risk does not have any impact on the Fund's operations because the Fund mainly invest in debt securities of financial institutions with fixed interest rates.

The Fund do not apply sensitive to interest analysis because investment portfolio of the Fund comprising of fixed income assets which has low interest rate risk and the Fund solely invests in corporate bonds and certificates of deposit have a stable interest rate at the reporting date.

(ii) Price risk of listed bonds

The Fund's government bonds and listed corporate bonds are exposed to market price risk arising from uncertainties about future prices of investing bonds. The Fund manages price risk by placing a limit on bonds investments. In addition, the investment committee manages and approves bonds investment decision.

At the reporting date, the exposure to the Fund's listed bonds at fair value was VND8,010,205,465. A decrease of 10% in these securities' market price could have an impact of approximately VND801,020,547 depending on whether or not the decline is significant or prolonged. An increase of 10% in the market price of the listed bonds would increase the Fund's operating results by VND801,020,547.

(iii) Currency risk

Foreign currency risk is the risk that the value of financial instruments will fluctuate because of changes in foreign exchange rates.

The Fund was incorporated and operates in Vietnam, as such, its reporting and transaction currency is denominated in VND, the Fund is not exposed to foreign currency risk as at 30 June 2023.

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Fides (Vietnam) Fund Management Joint Stock Company

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

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18. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

18.2 Credit risk

Credit risk is the risk that the counterparty participates to a financial instrument or customer contract will cause a financial loss for the Fund by failing to discharge an obligation as commitment. These credit exposures exist within financial relationships including deposits with banks, certificate of deposit and other financial instruments.

The Fund places balances of certificates of deposits and bank deposits with well-known banks and credit institutions in Vietnam. Credit risk posing to balances of certificates of deposit and bank deposits is managed by the Fund's investment management department in accordance with the Fund's policy. The Fund evaluates the concentration of credit risk in respect to bank deposits and certificates of deposit is very low.

It is the Fund's policy to enter into financial instruments with reputable counterparties.

The Investment management Department closely monitors the creditworthiness of the Fund's counterparties by reviewing their financial health, credit worthiness, financial statements and press releases on a regular basis.

18.3 Liquidity risk

The liquidity risk is the risk that the Fund will encounter difficulty in meeting financial obligations due to shortage of capital. The Fund's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and financial liabilities.

The Fund invests primarily in securities market and other financial instruments, which are under normal market conditions, are easily convertible to cash. The Fund monitors liquidity risk by maintaining sufficient amount of cash and cash equivalents for the Fund's operation and to mitigate the effect of fluctuations in cash flows.

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as at 30 June 2023 and for the period for the first six-months ended 30 June 2023

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19. SUPPLEMENTARY DISCLOSURE OF FINANCIAL ASSETS AND LIABILITIES

The carrying amount and fair value of financial instruments of the Fund at 30 June 2023 are presented as follows:

	30 June 2023	
	Carrying amount VND	Fair value VND
Financial assets		
Cash and cash equivalents	15,918,799,548	15,918,799,548
- Cash at bank for operation of the Fund	8,636,974,680	8,636,974,680
- Deposits with term under three (3) months	7,281,824,868	7,281,824,868
Net investments	32,310,205,465	32,310,205,465
- Corporate bonds - listed	8,010,205,465	8,010,205,465
- Corporate bonds - unlisted	3,300,000,000	3,300,000,000
- Certificates of deposit	21,000,000,000	21,000,000,000
Receivables	639,785,721	639,785,721
	48,868,790,734	48,868,790,734
Financial liabilities		
Accrued expenses	49,104,530	49,104,530
Fund management fee payable	98,899,001	98,899,001
	148,003,531	148,003,531

The fair values of the financial assets and liabilities represent the amounts at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced sales or liquidation.

The following methods and assumptions are being used to estimate the fair values:

- Fair values of cash and cash equivalents, receivables, accrued expenses and fund management fee payable were equal to their book values due mainly to the short-term maturities of these instruments.
- Fair value of bonds is re-valued using the valuation method stated in Note 3.3.
- Fair value of certificates of deposits is re-valued using the valuation method stated in Note 3.3.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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20. RELATED PARTIES TRANSACTIONS AND OTHER KEY CONTRACTS

20.1 Related parties transactions

a) The Fund Management Company

The significant transactions in the period was as follow:

	<i>For the six-month period ended 30 June 2023 VND</i>	<i>For the period from 4 January 2022 to 30 June 2022 VND</i>
Fund management fee	273,869,233	558,882,612

The outstanding balance at the end of period was as follow:

	<i>30 June 2023 VND</i>	<i>31 December 2022 VND</i>
Fund management fee payables	39,999,002	59,716,381

b) Remunerations of the Fund Representative Board

Other than the remunerations, there are no other transactions or contracts to which the Fund and any member of the Fund Representative Board is a party where a member of the Fund Representative Board has a material interest. Remunerations of the Fund Representative Board are recognized as expenses of the Fund.

	<i>For the six-month period ended 30 June 2023 VND</i>	<i>For the period from 4 January 2022 to 30 June 2022 VND</i>
Remunerations of the Fund Representative Board	45,000,000	45,000,000

c) Fund units held by the related parties

Detail of fund units held by the related parties were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>30 June 2023</i>	
		<i>Fund units held by</i>	<i>Holding percentage (%)</i>
Fides (Vietnam) Fund Management Joint Stock Company	Fund Management Company	1,500,000	33.26

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20. RELATED PARTIES TRANSACTIONS AND OTHER KEY CONTRACTS (continued)

20.2 Other key contracts

Supervisory Bank

According to the supervisory and custodian contract with the Shinhan Bank Vietnam Limited, the Fund has the obligation to pay the Supervisory Bank a supervisory fee equivalent to 0,03% per annum of the NAV at the date prior to the valuation date and the minimum fee is VND10,000,000 per month, exclusive of value added tax. From 1 May 2023, the minimum fee for supervisory fee is VND 20,000,000 per month. Custodian fee equivalent to 0,05% per annum of the NAV and the minimum fee is VND10,000,000 per month. From 1 May 2023, the minimum fee for custodian fee is VND 20,000,000 per month.

The Supervisory Bank also provides the fund administration service. The Fund has the obligation to pay the Supervisory Bank a fund administration fee equivalent to 0,03% per annum of the NAV, with the minimum of VND10,000,000 per month exclusive of value-added tax. From 1 May 2023, the minimum fee for fund administration fee is VND5,000,000 per month. The price for the service of preparing financial statements as prescribed by law is VND15,000,000 per month for the period from 1 January 2023 to 30 April 2023, exclusive of value-added tax. Afterward, the price for the service of preparing financial statements is zero.

Besides, the Fund has the obligation to pay to the Supervisory Bank a trading fee of VND100,000 per transaction of purchasing/selling listed securities and withdrawing/depositing certificates of ownership of bonds/Certificates of deposit, etc and fee for the service of confirming securities balance for audit purposes of VND 500,000 per confirmation report.

Details of service fees in the period are as follows:

	<i>For the six-month period ended 30 June 2023 VND</i>	<i>For the period from 4 January 2022 to 30 June 2022 VND</i>
Custodian service	82,138,428	59,688,308
Supervisory fee	88,000,000	64,935,485
Fund administration service	54,999,998	64,935,486
Preparing financial statements service	66,000,000	97,403,226
Bank charges	6,358,000	6,853,000

The outstanding balance was as follow:

	<i>30 June 2023 VND</i>	<i>31 December 2022 VND</i>
Demand deposit	8,636,974,680	1,593,778,490
Payable to preparing financial statements service	-	16,500,000
Payable to supervisory service	21,999,999	11,000,000
Payable to fund administration service	5,499,999	11,000,000
Payable to transfer agency service	20,000,001	10,000,002
Payable to securities trading fee	400,000	-

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21. EVENTS AFTER THE BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the interim balance sheet date that requires adjustment or disclosure in the interim financial statements of the Fund.

Ms. Trương Thị Huyền
Preparer

Ms. Trương Thị Huyền
Chief Accountant



Mr. Kim Donghwan
General Director

Ho Chi Minh City, Vietnam

14 August 2023