



**PAPERS FOR THE  
INVESTORS GENERAL MEETINGS**

of

**VCBF BLUE CHIP FUND  
VCBF FIXED INCOME FUND  
VCBF MID-CAP GROWTH FUND  
VCBF TACTICAL BALANCED FUND**

**15 APRIL 2022**

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*Note:* All conversions of VN Dong to US Dollars in these Papers are calculated at Vietcombank’s selling rate as at 28 Feb 2022 of VND22,950 per US Dollar unless otherwise indicated.

**ACRONYMS and ABBREVIATIONS**

Art	Article
bp	basis point, or 1/100ths of 1%
CEO	Chief Executive Officer
Charter	Charter of the Fund
Circular 183	Circular No. 98/2020/TT-BTC Guiding the Operation and Management of Securities Investment Funds dated 16 November 2020
CPI	Consumer Price Index
FDI	Foreign Direct Investment
FED	Federal Reserve Bank of the USA
FRB	Fund Representative Board (of VCBF-TBF)
Fund(s)	VCBF Blue Chip Fund, VCBF Fixed Income Fund and/or VCBF Tactical Balanced Fund as the context requires
GDP	Gross Domestic Product
GSO	General Statistics Office
H	half of the year
HNX	Hanoi Stock Exchange
HSX	Ho Chi Minh Stock Exchange
IGM	Investors General Meeting (of a Fund)
IPO	Initial Public Offering
Manager	VCBF, being the manager of the Funds
m-o-m	month on month
NAV	Net Asset Value
no.	number
OEF	Open-ended Fund
NPAT	Net profit after tax
NPATMI	Net profit after minority interest
PBT	Profit before tax
P/E	Price to Earnings ratio
P/B	Price to Book ratio
Q	Quarter
q-o-q	quarter on quarter
SIP	Systematic Investment Plan
SBV	State Bank of Vietnam
SSC	State Securities Commission
VCBF-BCF	VCBF Blue Chip Fund
VCBF-FIF	VCBF Fixed Income Fund
VCBF-MGF	VCBF Mid-cap Growth Fund
VCBF-TBF	VCBF Tactical Balanced Fund
VNI/VNIndex	Index of all stocks on the Ho Chi Minh Stock Exchange
y-o-y	year-on-year
YR	year
ytd	year to date



## Letter from the Chief Executive Officer

Hanoi, March 2022



Dear Investors,

The year 2021 has been another remarkable year with the pandemic wreaking havoc on public health services and devastating GDP growth to the lowest rate since *doi moi* in 1986. Fortunately the Government didn't lose time once the delta variant emerged in the middle of last year. The vaccination campaign was a great success, reaching a high rate of vaccinations quickly and efficiently. Though the cost of the pandemic has been high in terms of lost lives, business closures and lost opportunities, the economy is now in good shape to recover. Importantly there is now a strong sense of confidence that we can move on, living with and not fearing the pandemic.

Remarkable too has been that the stock market did not lose its optimistic sentiment for the most part of the year. The flux of new investors joining the market for the first time of course made the biggest headlines, with the total of new accounts opened in the year the same as in the previous four years and providing over 85% of the market liquidity. As a result, the market reached new levels, exceeding 1,500 points for the first time in November 2021.

While there has been sufficient room for speculation and though the market has been greatly volatile, there have been a number of rational and positive trends in the market which we have been using successfully for the funds. While VCBF-TBF outperformed its benchmark well, VCBF-BCF fell back temporarily to underperform at the end of the year, but we are confident that we have positioned the portfolios well to benefit from the opportunities in 2022. Indeed in the first months 2022, both funds are well above their benchmarks.

A special mention is due to VCBF-MGF, which many investors joined in the IPO. Valuations in some of the mid-cap stocks we are targeting have been too high. But we are patiently building up the portfolio as opportunities arise. Noteworthy too is that after some delays, we could add substantially to the bond portfolio of VCBF-FIF which is now performing very well.

So we are now looking forward to 2022. There are many threats: higher oil & commodity prices creating pressures on the Vietnamese Government in keeping inflation in check, monetary adjustments of large central banks, stunted global growth, uncertainties of the war in Ukraine. But Vietnam has again shown its resilience last year and the upsides are strong, especially with growing consumer confidence and a revival of the tourist sector. We closely track all the positive and negative factors to best position our funds, which we will manage carefully to provide good returns to you, our investors.

We thank you for trusting and investing with Vietcombank Fund Management and look forward to continuing to serve you. For more detail about the funds' performance, please visit us at [www.vcbf.com](http://www.vcbf.com).

Yours sincerely,

**Vietcombank Fund Management**

Papers for the Investors General Meetings of VCBF-BCF, VCBF-FIE, VCBF-MGF, VCBF-TBF on 15 April 2022

Vu Quang Dong, Ph.D.  
Chief Executive Officer

## I. APPROVAL OF CHAIRPERSON AND AGENDA OF IGMS

Pursuant to Art 20 (2) of the Charters of VCBF-BCF, VCBF-FIF, VCBF-MGF and VCBF-TBF, the Manager has convened the IGM on 15 Apr 2021 and prepared the agenda for the IGMs.

The tabled agendas for the IGMs are:

- I. Approval of the agenda, secretariat and voting committee of the IGM;
- II. Presentation of the Funds' operations and financial statements as at 31 Dec 2021 and update of the Funds' operations as at 31 Mar 2022;
- III. Report of the Supervisory Bank for the period ending 31 Dec 2021;
- IV. Report of the FRB for 2021;
- V. Resolution to delegate authority to the FRB;
- VI. Resolution to amend the Charters of VCBF-BCF, VCBF-FIF, VCBF-MGF and VCBF-TBF;
- VII. Investors' Questions and Answers; and
- VIII. Approval of the minutes of the IGM and resolutions of the IGMs.

Pursuant to Art 23 (3) of the Funds' Charters, the Chairperson of the FRB, Mr. Mac Quang Huy, shall preside as chairperson of the IGM.

The IGM is requested to approve the following resolutions:

**THAT** the Agenda as tabled be approved; and

**THAT** the Voting Committee and secretariat to the IGMs be approved.

## II. REPORTS OF FUNDS 2020

### 1A) VCBF-BCF

#### FUND DATA – 31 Dec 2021

**Total Net Asset Value:**  
VND 92,647,506,759

**NAV per unit:**  
VND 29,454.19

**Number of units:**  
13,330,784.69

**Inception:** 22 August 2014

**Trading day:** Weekly on  
Wednesday

**Subscription Fee (Max):** 2%

**Management Fee (Max):**  
1.9%

#### FUND BENCHMARK

The fund's benchmark return is  
VN100 Index's return

#### FUND MANAGERS

Ms. Nguyen Thi Hang Nga,  
CFA

Mr. Nguyen Trieu Vinh, CFA

#### VCBF BLUE CHIP FUND (VCBF – BCF)

##### FUND STRATEGY

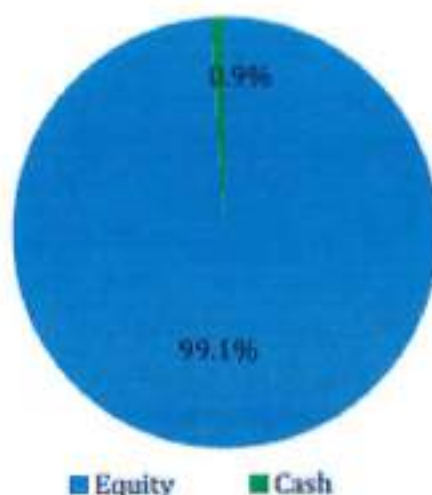
- VCBF Blue Chip Fund (VCBF-BCF) will primarily invest in a diversified portfolio of stocks listed on the Ho Chi Minh Stock Exchange (HSX) and Hanoi Stock Exchange (HNX) which have a large market capitalization and are liquid. Stocks with large market capitalization are considered as those with market capitalization larger than the hundredth largest stock listed on the HSX.
- The Fund follows a blend of value and growth style of investing. In seeking sustainable growth characteristics, VCBF evaluates the long term market opportunity and competitive structure of an industry to target leaders and emerging leaders. In assessing value, the Manager considers whether security prices fully reflect the balance of sustainable growth opportunities relative to business and financial risks.
- The Fund will follow a bottom-up approach to selecting stocks for investment, focusing on the individual attributes of a company, and choosing companies across sectors. In evaluating sector weighting in the Fund's investment portfolio, the investment manager considers, but may deviate from the relative weightings of sectors in the benchmark index.

##### FUND PERFORMANCE

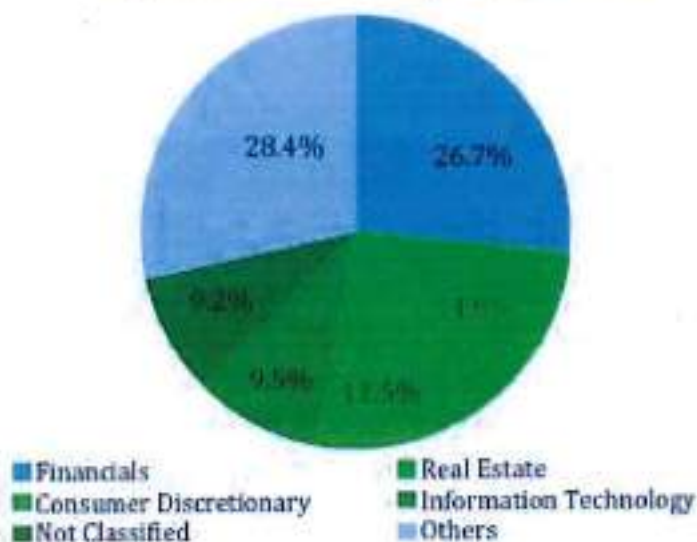


Return (annually compounded, w/o subscription fee)	Fund	Benchmark
Since inception	15.8%	13.9%
5 years	15.9%	20.0%
3 years	18.4%	22.9%
2021	38.0%	47.9%

**ASSET ALLOCATION**



**Top 5 Sectors in Equity - VCBF - BCF**



TOP 5 STOCK HOLDINGS	% of Fund NAV
FPT Corp (FPT)	9.5%
Military Commercial JS Bank (MBB)	9.0%
Mobile World Investment Corp (MWG)	7.5%
Hoa Phat Group JSC (HPG)	6.0%
Nam Long Investment Corp (NLG)	4.6%

*Holdings as of 31 Dec 2021*

In 2021, VCBF-BCF generated a return of 38.0%, which was lower than the benchmark return, VN100 (+47.9%) but was higher than the return of VNIndex (+35.7%). While the fund outperformed the benchmark by the end of 3Q 2021, phenomenal performance of mid and small-cap stocks, in the 4Q, many of them are of speculative nature and/or highly volatile stocks is the main reason for the fund performance for the entire 2021. The overly optimistic sentiment of retail investors on the real estate market and public investments lifted prices of those stocks to levels that could not be justified by the companies' fundamentals and earnings outlook. On the other hand, stocks of many fundamentally sound and undervalued companies were out of investors' favor. As a result, many of the fund's holdings with very solid fundamentals and growth outlook underperformed during the 4Q, including Quang Ngai Sugar JSC (UPCoM: QNS, -5.6%), Viettel Post JSC (UPCoM: VTP, -8.1%), Refrigeration Electrical Engineering Corporation (HSX: REE, +6.0%), Noi Bai Cargo Terminal Services JSC (HSX: NCT, -1.7%), Bao Viet Holdings (HSX: BVH, -2.8%) and Military Commercial Joint Stock Bank (HSX: MBB, +3.8%). However, we believe prices of stocks will move towards their intrinsic values over time, as history has proved. Indeed prices of the highly speculative and/or volatile stocks corrected significantly in January 2022, especially after the State Securities Commission of Vietnam made an unprecedented decision to unwind unreported transactions selling shares of FLC Faros Construction (HSX: ROS) of Mr. Trinh Van Quyet, the company's Chairman, on 11 Jan 2022. Following the expected correction of those stocks, the fund was able to reduce 2021's negative alpha by half, just in January 2022. Since inception, the fund has outperformed its benchmark by 1.9% per annum.

In terms of absolute return, top contributors to the fund's return in 2021 were FPT Corporation (HSX: FPT), Military Commercial Joint Stock Bank (HSX: MBB), Hoa Phat Group (HSX: HPG), Mobile World Investment Corporation (HSX: MWG) and Nam Long Investment Corporation (HSX: NLG).

FPT's stock price rallied strongly by 84.9% in 2021, which was attributable to solid business performance and upbeat outlook on technology implementation in both oversea and domestic markets. In 2021, FPT delivered strong revenue and profit before tax growths of 19.5% yoy and 20.4% yoy, respectively. The Technology segment's revenue climbed by 23.4% yoy and PBT went up by 24.3% yoy. The Global IT Services business continued its strong growth trajectory (revenue: +21.2% yoy, PBT: +23.0% yoy) while the domestic market performed impressively (revenue: +29.9% yoy, PBT: +33.9% yoy). The Telecom segment also posted health performance with revenue increased by 11.2% yoy and PBT grew by 16.5% yoy. As of 11 January 2022, FPT's share was trading at a 2022 forward P/E of 16.3x, which remains attractive compared to the company's strong fundamentals and growth outlook.

MBB's share price posted impressive gain of 71.2% in 2021. After 12M 2021, MBB achieved a total operating income of VND36,934bn (+35.0%



yoy) and profit before tax of VND16,527bn (+54.6% yoy). Credit continued to grow remarkably by 8.1% qoq in 4Q 2021 (+24.6% in 12M), among the highest rates in the sector. CASA ratio increased to 48.7%. Net interest margin (NIM) bounced back in 4Q 2021 to 4.99% (3Q21: 4.96%, 4Q20: 4.93%). Non-performing loans (NPLs) ratio was 0.9% and Loan Loss Reserve (LLR) ratio was high at 268% as of the end of 2021. MBB has recently announced its 2022 PBT growth target of more than 20% yoy. As of 10 January 2022, MBB stock was trading at a 2022 forward P/B of 1.4x, which is attractive compared to the bank's strong fundamentals and earnings outlook.

HPG's share price rallied by 52.1% in 2021. New volume from Dung Quat steel complex and higher steel prices yoy in most parts of the year (hot-rolled coil price (HRC) increased by 34% in 9M 2021) lifted the company's business result and its stock price. In 2021, HPG delivered a construction steel volume of 3.9m tons (+14% yoy) and a HRC volume of 2.6m tons (+279% yoy). In 2022, the products' volumes are estimated to increase by 23% yoy and 27% yoy, respectively. However, HRC price, which has cooled off by 20% during 4Q 2021, would negatively offset the positive contribution of volume growth to HPG's performance in 2022. As of 11 Jan 2022, HPG's stock was trading at a 2022 forward P/E of 7.1x, an attractive valuation compared with the company's dominating position in the steel market in Vietnam, solid competitive advantage in terms of production costs and potential volume growth from Dung Quat steel complex phase 2, which is scheduled to come online in 2024.

MWG's share price increased impressively by 72.0% in 2021, which could be mostly attributable to the resilience of MWG's businesses in spite of severe Covid-19 impacts, especially during the 3Q, and investors' upbeat sentiment on growth outlook of the company. In 2021, MWG recorded net revenue growth of 13% yoy and NPAT growth of 25% yoy. The mobile phone and consumer electronics retail businesses were able to grow their revenues by 7% and 9%, respectively, even though a large number of stores had to close during the time of social distancing, partly thanks to their robust online platforms, whose revenue surged by 47% yoy. The grocery retail business grew its top-line strongly by 33% yoy as the chain continued to expand by adding 387 stores and converting small stores to larger ones and as it was benefited during the time of lockdown when most traditional markets in the South of Vietnam were closed. MWG has recently ventured into other retail businesses including sports equipment, mother and baby products, jewelry and fashion as attempt to find new growth engines. For 2022, MWG targets to achieve revenue of VND140,000bn and profit after tax of VND6,350bn, which imply strong revenue and profit growth of 13.8% and 29.5% yoy, respectively. As of Jan 11, 2022, MWG's stock was trading at a 2022 forward P/E of 14.7x, which remains compelling compared with the company's fundamentals and growth outlook.

NLG's share price soared by 146.1% in entire 2021, which is believed due primarily to rising land prices and favorable market sentiment on the real estate sector. In 2021, the company recorded a NPATMI of VND1,072bn (+28.2% yoy), mostly contributed by a non-recurring

income of VND423bn and VND361bn, resulting from a revaluation of investments in Dong Nai Waterfront and SouthGate projects, respectively. As regards presales, NLG presold 2,203 units with total contracted value of VND8,840bn in 2021, far short of 3,259 units and VND13.5tn value planned for the entire year, due to disruptions caused by Covid-19 outbreaks. However, with more favorable land prices, NLG is expected to enjoy higher profitability from projects under development, including its mega project, Dong Nai Waterfront, where expected average selling price was up by 30% in 9M 2021. NLG has successfully raised VND2,010bn via a recent private placement to fulfill the financing need for its strategic plan to strengthen the land bank during 2021-2023. As of 11 January 2022, NLG's stock was trading at 2022 forward P/E of 14.0x and forward P/B of 2.5x, which are relatively on par with the average of the sector.

### 1B) VCBF-FIF

#### FUND DATA– 31 Dec 2020

**Total Net Asset Value:**  
VND 90,742,562,006

**NAV per unit:**  
VND 11,431.87

**Number of units:**  
7,937,677.65

**Inception:** 9 Aug 2019

**Trading day:** Weekly on  
Wednesday

**Subscription Fee (Max):**  
0.6%

**Management Fee (Max):**  
0.9%

#### FUND BENCHMARK

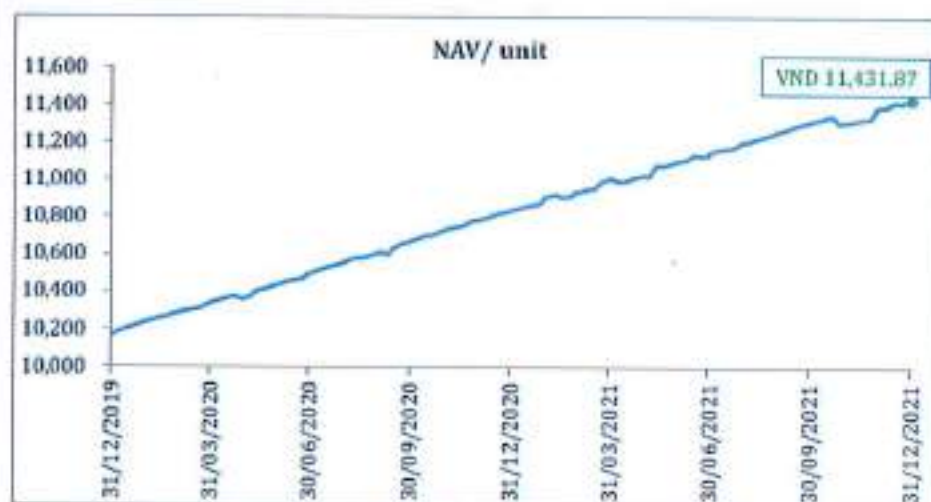
The benchmark is the rate of return of 10-year bonds issued by the Government of Vietnam.

#### VCBF FIXED INCOME FUND (VCBF – FIF)

#### FUND STRATEGY

The fund will invest up to 100.0% of its assets in fixed income assets, which mainly consist of Government bonds of Vietnam, municipal bonds, Government guaranteed bonds and corporate bonds. The fund will not buy shares but may exercise the right to convert bonds into shares or exercise the right to buy shares if this right is attached to bond holdings. In any case, the value of shares held by the fund will not exceed 20.0% of the Fund's Net Asset Value.

#### FUND PERFORMANCE



Return (w/o subscription fee)	Fund	Benchmark
Since inception (annually compounded)	5.7%	3.2%
2020	6.6%	3.4%
2021	5.5%	2.4%

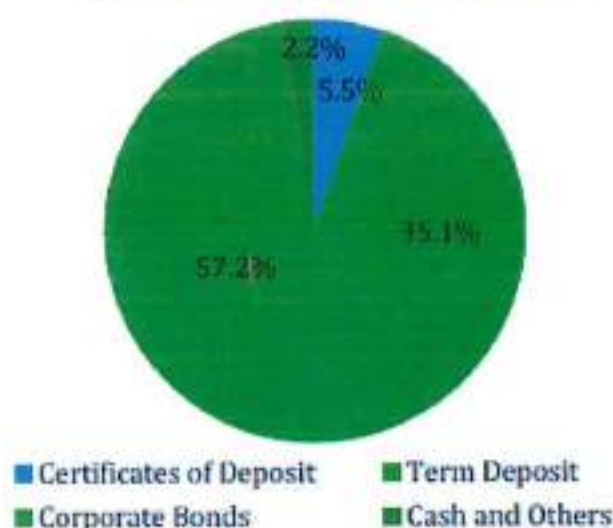
## FUND MANAGERS

Ms. Nguyen Thi Hang Nga,  
CFA  
Ms. Duong Kim Anh

In 2021, VCBF-FIF generated a return of 5.5%, outperforming its benchmark return by 3.1%. The fund also outperformed the benchmark by 2.5% p.a. since inception. The fund generated a better return than the benchmark because we have increased the investments in corporate bonds, which earn higher yields, and reduced cash holding. The fund's return is expected to improve further in 2022 because there have been more public issuance and hence listed bonds, which allow the fund to raise its allocation to listed corporate bonds.

## ASSET ALLOCATION

Asset Allocation in - VCBF - FIF



TOP HOLDINGS	% of Fund NAV
Bond of Ha Do Group JSC (HDG121001)	19.0%
Bond of Masan Group Corp. (MSN11906)	15.6%
Bond of Masan MEATLife (MML121021)	13.5%
Bond of Viet Dragon Securities (VDSH2122006)	7.7%
CD of Home Credit Vietnam Finance Co Ltd	5.5%
Bond of Vingroup JSC (VICB2124002)	1.5%

*Holdings as of 31 Dec 2021*

## 1C) VCBF-MGF

### FUND DATA- 31 Dec 2020

Total Net Asset Value:  
VND 167,466,386,797

### VCBF MID-CAP GROWTH FUND (VCBF - MGF)

#### FUND STRATEGY

- VCBF-MGF will primarily invest in a diversified portfolio of stocks

**NAV per unit:**  
VND 10,069.51

**Number of units:**  
16,631,032.20

**Inception:** 2 Dec 2021

**Trading day:** Weekly on  
Wednesday

**Subscription Fee (Max):** ??%

**Management Fee (Max):** ??%

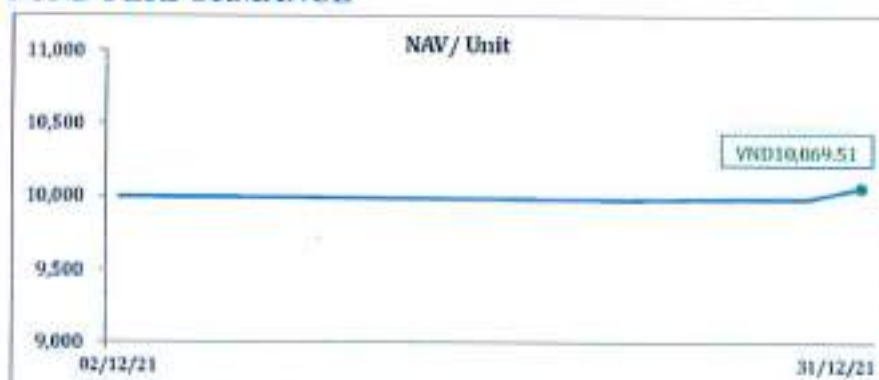
## FUND BENCHMARK

The fund's benchmark return is the VNMidcap Index (VN70)

listed on the Ho Chi Minh Stock Exchange (HSX), Hanoi Stock Exchange (HNX) and the Unlisted Public Company Market, (UPCoM), with a majority allocation in stocks of mid-cap companies with strong growth outlook. Stocks with medium-sized market capitalizations are considered as those with market capitalization within the range of market capitalization of companies in the VNMidcap (VN70) Index.

- The fund primarily follows the growth style of investing. In seeking sustainable growth characteristics, VCBF evaluates the long-term market opportunity and competitive structure of an industry to target leaders and emerging leaders.
- The fund will follow a bottom-up approach to selecting stocks for investment, focusing on the individual attributes of a company, and choosing companies across sectors. In evaluating sector weighting in the Fund's investment portfolio, the investment manager considers, but may deviate from the relative weightings of sectors in the benchmark index.

## FUND PERFORMANCE



Return (w/o Subscription fee)	Fund	Benchmark
Since inception (annually compounded)	0.7%	7.3%

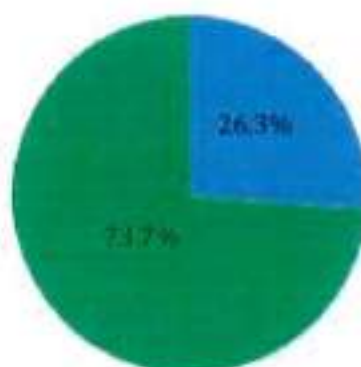
## ASSET ALLOCATION

## FUND MANAGERS

Ms. Nguyen Thi Hang Nga,  
CFA

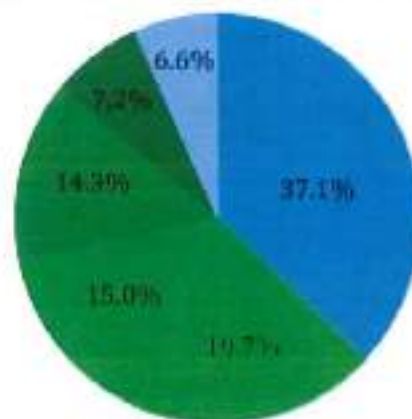
Mr. Nguyen Trieu Vinh, CFA

Mr. Nguyen Duy Anh, CFA



■ Equity ■ Cash

**Top 5 Sectors in Equity - VCBF - MGF**



■ Not Classified ■ Financials  
 ■ Consumer Discretionary ■ Health Care  
 ■ Utilities ■ Others

TOP 5 HOLDINGS	% of Fund NAV
Sai Gon Thuong Tin Commercial JS Bank (STB)	5.3%
Viettel Post (VTP)	4.7%
Phu Nhuan Jewelry JSC (PNJ)	4.0%
Binh Dinh Pharmaceutical and Medical Equipment JSC (DBD)	3.8%
Quang Ngai Sugar Joint Stock Company (QNS)	3.0%

*Holdings as of 31 December 2021*

As of the end of 2021, VCBF-MGF had still been in the period of disbursing the IPO capital. Therefore, comparison of the fund's return against its benchmark in 2021 is not carried out because such comparison would not be meaningful.

**1D) VCBF-TBF**

**FUND DATA– 31 Dec 2020**

**VCBF TACTICAL BALANCED FUND (VCBF – TBF)**

**Total Net Asset Value:**  
VND 251,122,968,217

**NAV per unit:**  
VND 26,829.96

**Number of units:**  
9,359,793.61

**Inception:** 24 Dec 2013

**Trading day:** Weekly on  
Wednesday

**Subscription Fee (Max):** 2%

**Management Fee (Max):**  
1.5%

## FUND BENCHMARK

The fund's benchmark return is the average of VN-Index and 10-year government bond yield

## FUND MANAGERS

Ms. Nguyen Thi Hang Nga,  
CFA

Ms. Duong Kim Anh

Mr. Nguyen Trieu Vinh, CFA

## FUND STRATEGY

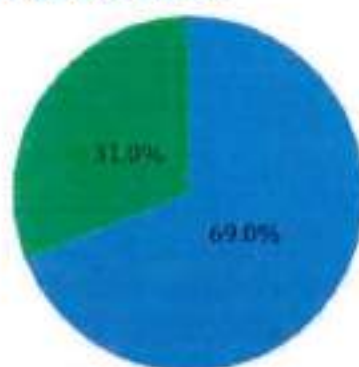
- VCBF-TBF has a balanced allocation of 50% of its total assets in equity securities and 50% in fixed income securities. The asset allocation may vary tactically from the balanced allocation by  $\pm 25.0\%$  subject to VCBF's investment team's assessment of risk and return in these asset classes and the availability of investment opportunities.
- The high quality fixed income securities include bank deposits, Vietnam Government bonds and municipal bonds or bonds guaranteed by the Government or listed corporate bonds. Listed corporate bonds are considered only if the bonds meet certain safety requirements.
- The fund invests in a diversified portfolio of stocks which have a large market capitalization and are liquid on HSX and HNX.
- The fund follows a bottom-up approach to stock-picking by valuing fundamentals of the companies and chooses companies across various sectors.
- The investment objective of the fund is to provide long-term total return via growth of capital and current income by investing in stock and high quality fixed income instruments.

## FUND PERFORMANCE



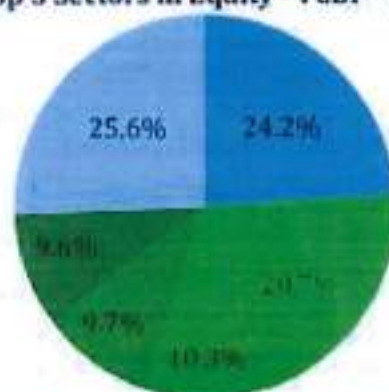
Return (w/o Subscription fee)	Fund	Benchmark
Since inception (annually compounded)	13.1%	10.4%
5 years (annually compounded)	12.2%	11.5%
3 years (annually compounded)	12.3%	11.4%
2021	25.7%	19.0%

### ASSET ALLOCATION



■ Equity ■ Fixed income

### Top 5 Sectors in Equity - VCBF - TBF



■ Financials ■ Real Estate  
 ■ Consumer Discretionary ■ Not Classified  
 ■ Consumer Staples ■ Others

TOP 5 HOLDINGS	% of Fund NAV
Bond of Masan Group Corp. (MSN11906)	6.0%
FPT Corp (FPT)	6.0%
Bond of Ha Do Group JSC	5.1%
Mobile World Investment Corp (MWG)	4.8%
Military Commercial JS Bank (MBB)	4.5%

*Holdings as of 31 December 2021*

In 2021, VCBF-TBF generated a return of 25.7%, outperforming its benchmark by 6.7%. Overweighting the equity portfolio, which also delivered a better return than the VNI has resulted in such strong performance. Since inception, the fund has outperformed its benchmark by 2.7% per annum.

The top contributors to return of the fund's equity portfolio in 2021 were stocks of FPT Corporation (HSX: FPT), Military Commercial Joint Stock Bank (HSX: MBB), Nam Long Investment Corporation (HSX: NLG),

Hoa Phat Group (HSX: HPG) and Mobile World Investment Corporation (HSX: MWG).

FPT's stock price rallied strongly by 84.9% in 2021, which was attributable to solid business performance and upbeat outlook on technology implementation in both oversea and domestic markets. In 2021, FPT delivered strong revenue and PBT growth of 19.5% yoy and 20.4% yoy, respectively. The Technology segment's revenue climbed by 23.4% yoy and PBT went up by 24.3% yoy. The Global IT Services business continued its strong growth trajectory (revenue: +21.2% yoy, profit before tax: +23.0% yoy) while the domestic market performed impressively (revenue: +29.9% yoy, PBT: +33.9% yoy). The Telecom segment also posted health performance with revenue increased by 11.2% yoy and PBT grew by 16.5% yoy. As of 11 January 2022, FPT's share was trading at a 2022 forward P/E of 16.3x, which remains attractive compared to the company's strong fundamentals and growth outlook.

MBB's share price posted impressive gain of 71.2% in 2021. After 12M 2021, MBB achieved a total operating income of VND36,934bn (+35.0% yoy) and PBT of VND16,527bn (+54.6% yoy). Credit continued to grow remarkably by 8.1% qoq in 4Q 2021 (+24.6% in 12M), among the highest rates in the sector. CASA ratio increased to 48.7%. NIM bounced back in 4Q 2021 to 4.99% (3Q21: 4.96%, 4Q20: 4.93%). NPL ratio was 0.9% and LLR ratio was high at 268% as of the end of 2021. MBB has recently announced its 2022 PBT growth target of more than 20% yoy. As of 10 January 2022, MBB stock was trading at a 2022 forward P/B of 1.4x, which is attractive compared to the bank's strong fundamentals and earnings outlook.

NLG's share price soared by 146.1% in 2021, which is believed due primarily to rising land prices and favorable market sentiment on the real estate sector. In 2021, the company recorded a NPATMI of VND1,072bn (+28.2% yoy), mostly contributed by a non-recurring income of VND423bn and VND361bn, resulting from a revaluation of investments in Dong Nai Waterfront and SouthGate projects, respectively. As regards presales, NLG presold 2,203 units with total contracted value of VND8,840bn in 2021, far short of 3,259 units and VND13.5tn value planned for the entire year, due to disruptions caused by Covid-19 outbreaks. However, with more favorable land prices, NLG is expected to enjoy higher profitability from projects under development, including its mega project, Dong Nai Waterfront, where expected average selling price was up by 30% in 9M 2021. NLG has successfully raised VND2,010bn via a recent private placement to fulfill the financing need for its strategic plan to strengthen the land bank during 2021-2023. As of 11 January 2022, NLG's stock was trading at 2022 forward P/E of 14.0x and forward P/B of 2.5x, which are relatively on par with the average of the sector.

HPG's share price rallied by 52.1% in 2021. New volume from Dung Quat steel complex and higher steel prices yoy in most parts of the year (hot-rolled coil price (HRC) increased by 34% in 9M 2021) lifted the company's business result and its stock price. In 2021, HPG delivered a construction steel volume of 3.9m tons (+14% yoy) and a HRC volume of



2.6m tons (+279% yoy). In 2022, the products' volumes are estimated to increase by 23% yoy and 27% yoy, respectively. However, HRC price, which has cooled off by 20% during 4Q 2021, would negatively offset the positive contribution of volume growth to HPG's performance in 2022. As of 11 Jan 2022, HPG's stock was trading at a 2022 forward P/E of 7.1x, an attractive valuation compared with the company's dominating position in the steel market in Vietnam, solid competitive advantage in terms of production costs and potential volume growth from Dung Quat steel complex phase 2, which is scheduled to come online in 2024.

MWG's share price increased impressively by 72.0% in 2021, which could be mostly attributable to the resilience of MWG's businesses in spite of severe Covid-19 impacts, especially during the 3Q, and investors' upbeat sentiment on growth outlook of the company. In 2021, MWG recorded net revenue growth of 13% yoy and profit after tax growth of 25% yoy. The mobile phone and consumer electronics retail businesses were able to grow their revenues by 7% and 9%, respectively, even though a large number of stores had to close during the time of social distancing, partly thanks to their robust online platforms, whose revenue surged by 47% yoy. The grocery retail business grew its top-line strongly by 33% yoy as the chain continued to expand by adding 387 stores and converting small stores to larger ones and as it was benefited during the time of lockdown when most traditional markets in the South of Vietnam were closed. MWG has recently ventured into other retail businesses including sports equipment, mother and baby products, jewelry and fashion as attempt to find new growth engines. For 2022, MWG targets to achieve revenue of VND140,000bn and profit after tax of VND6,350bn, which imply strong revenue and profit growth of 13.8% and 29.5% yoy, respectively. As of Jan 11, 2022, MWG's stock was trading at a 2022 forward P/E of 14.7x, which remains compelling compared with the company's fundamentals and growth outlook.

## 2 Macro and Market reviews, Manager's Perspective

### MACRO UPDATE

Vietnam's economy rebounded in 4Q 2021 after large-scale lockdown measures that implemented during the Covid-19 outbreak in the 3Q were lifted. The recovery in the last quarter, however, was not sufficient to reverse the severe impacts of the outbreak which caused the substantial contraction of 6.0% in the 3Q. Accordingly, the economy ended 2021 with the lowest GDP growth since the Doi Moi policy was introduced in 1986. On the positive side, Vietnam continued to benefit from improving external demands as evidenced by robust exports. Inflation and exchange rates also remained in check, as detailed below:

- GDP grew by 5.2% yoy in the 4Q and modestly by 2.6% yoy in 12M 2021. The Industrial & Construction sector, which accounted for 37.9% of GDP, remained the key growth driver (+5.6% yoy in 4Q and +4.1% for 12M). This is chiefly due to the resilience of the Manufacturing and Processing sub-sector (+8.0% yoy in 4Q and 6.4% yoy in 12M). The

Agriculture and Agricultural, Forestry and Fisheries sector also did well, growing by 2.9% yoy in 2021, the best year since 2018. The Service sector, the largest sector in the GDP structure was hardest hit by the outbreak, thus only able to grow by 1.2% yoy, lower than the 2.3% in 2020 and a shadow of the 7.3% yoy growth rate in 2019.

- Exports were able to regain momentum quickly after disrupted in the 3Q to rise by 19.5% yoy in the 4Q. For 12M 2021, exports grew by 19.0% yoy to US\$336.3 billion. Growths were witnessed across all major export categories and markets, especially the US, Vietnam's largest export market which delivered a strong growth of 24.5% yoy. Imports increased at a faster pace of 26.5% yoy, from the subdued base in 2020, and reached US\$332.2 billion. Trade surplus was thus estimated at US\$4.1 billion in 2021.
- FDI registration totalled US\$24.3 billion in 2021, a resilient growth of 15.2% yoy which was chiefly attributable to extensions of existing projects (+40.5% yoy to US\$9.0 billion). FDI disbursements totaled US\$19.7 billion for the year, 1.2% lower than 2020, but 13.1% above the five-year pre-pandemic average of US\$17.5 billion.
- Despite the higher energy prices, increasing international transport costs as well as the domestic supply disruptions during the lockdowns, inflation remained muted. The headline CPI was up by 1.8% yoy in 2021, the lowest since 2016, which was mainly due to lower pork price, the key factor pushing up the base CPI last year, and lower travelling and education costs. Weak demand due to Covid-19, illustrated by a 3.8% yoy drop in total retail sales in 2021, also hindered manufacturers' ability to increase output price despite higher production cost.
- Vietnam Dong remained stable, slightly appreciating against the US Dollar by 1.3% yoy.
- Credit growth accelerated throughout the year. After a good start with 3.0% growth for the ytd in the 1Q, credit held up to reach 6.4% at the end of the 2Q but stagnated to 7.9% for the 3Q as the lockdowns impeded business development. Credit growth resumed quickly in the 4Q along with business resumption and higher credit quota allocated to several banks by the State Bank of Vietnam to reach 13.5% in 2021.

## **EQUITY MARKET**

After retreating by 4.7% in 3Q 2021, the VNI regained momentum and increased by 11.6% in the 4Q, finishing 2021 with an impressive return of 35.7%. The VNI outperformed most of stock indices in the Asia Pacific region in 4Q and FY2021.

The positive development of the VNI for the year could be attributable to several major factors as follows:

- The effectiveness of Government's vaccination campaign, which assured investors that the likelihood of any massive lockdowns was negligible, despite the emergence of the Omicron.

- A broad consensus that the monetary policies in Vietnam would remain accommodative chiefly because the domestic inflation has still been in check, despite the US Federal Reserve's decision on tapering under high inflation pressures.
- Market sentiment was supported by discussions around the stimulus package that the Ministry of Investment and Planning proposed in November 2021.
- Listed companies in the VNI posted aggregate earnings growth of 39.3% yoy for 2021 in spite of severe impacts of the massive lockdowns.
- Most importantly, the participation of domestic retail investors, who have been net buyers since 4Q 2020 and currently account for over 85% of market turnover. There were over 1.5 million accounts opened in 2021, more than total number of accounts opened during the preceding four years 2016-2020. By the end of 2021, the number of brokerage accounts in Vietnam had reached over 4.1 million, or 4.2% of the population.

For 12M 2021, total market turnover of the three indices approximated US\$288.9bn, which was nearly 2.6 times higher than the total trading value in 2020. For 12M 2021, foreign investors net sold US\$2.7bn on the three exchanges, a record net selling in many years. Fortunately, the net selling volume of foreign investors was fully absorbed by domestic ones.

For 12M 2021, all sectors delivered positive returns, with the best performing one being Information Technologies (+88.8%). The runner up was the Consumer Discretionary sector (+60.7%). The worst performing sector in 2021 was the Consumer Staples, which recorded a return of 10.3%. As a whole, for 12M 2021, small-cap stocks strongly outperformed the market with a return of 101.9%, followed by mid-cap and large-cap stocks with returns of 76.4% and 43.4%, respectively.

## BOND MARKET

For the entire 2021, VND318.2 trillion G-Bonds were issued, satisfying 91% and 85% initial and revised annual issuance plan respectively. Ample liquidity in the banking system supported by controlled credit growth, SBV's continuous purchase of USD from the market has maintained demands for G-Bonds and attributed to the falling yields. Rates of all tenors experienced drops of 15-20bps. From the supply side, State Treasury has to date been under no pressure to fulfill the issuance plan as the disbursement of state budget in infrastructure development has been very slow (84.3% plan, 8.6% lower than last year).

The approved stimulus package of VND347 billion is projected to increase the budget deficit by VND240 trillion over the next two years. State Treasury has not released the issuance plan for 2022, but to implement the stimulus package, the volume of G-Bonds to be issued is expected to be larger than that of 2021. As commercial banks still have rooms for higher proportions of G-Bonds on their balance sheet, the supply of additional over 100 trillion G-Bonds each year would not exert

too much pressure on the system's liquidity, but would probably exert higher pressures on yields, especially in the context that very low volume of G-Bonds to mature in 2022 (around VND40 trillion compared to VND162 trillion in 2021).

According to the data released by HNX, for the entire 2021, 579.8 billion corporate bonds were issued through private placements (48% higher than that of 2020) and 26.3 trillion through public offerings (9.5% lower than that of 2020). Real estate companies and banks were also the most active issuers accounting for nearly 43% and 38% issuance volume. Throughout 2021, 2-3YR bank bonds continued to yield lower, from around 4% in 1Q down to less than 3% in 4Q 2021. Spreads of banks' subordinate bonds' yields were more stable at around 0.9%-1.0% for 8-10YR tenors of tier one banks, 1.5-1.7% for 7YR tenors of tier two banks and 2.3-2.5% for 7YR tenors of tier three banks. There has been a big divergence in yields offered by real estate companies. Yields of big companies with strong financials dropped significantly from around 10% by end of last year to 9% end of this year, while those of smaller ones with less healthy balance sheet have sustained above 10% throughout the year. Yields offered by energy companies also experienced big drops from above 10% last year to above 9% this year, partly because of lower interest rates offered by banks, and partly because of lower demands for funding from this group.

#### **MANAGER'S PERSPECTIVE**

The global economy in 2022 is expected to transition from the Covid-19 pandemic-led, pent-up demand cycle to a normalization phase with potentially smoother, lower but still-above-average growth. Most economies have made up the shortfall in output caused by the pandemic, with GDP rising back to or already surpassing levels reached in 2019. As most major global economies are in better shapes, the aggressive economic support and stimulus introduced during the pandemic will gradually come to an end. That is also because inflation has been at historically high level. Some developed market central banks are moving up timelines for tightening monetary policy. The US Federal Reserve has announced plans to end asset purchases and indicated higher interest rate in 2022. However, monetary policies in world major economies in this year will largely remain supportive to sustain economic growth.

The on-going tension between Russia and Ukraine that escalated to war since late February, would create some roadblocks to the path to normalization of the global economy. The broad-based surge in commodity prices, as a result of supply disruptions in the two countries and sanction measures imposed on the Russian economy by the U.S. and European Union, would certainly put extra pressures on policy makers in keeping inflation in check while still supporting the economy. Consumer and business confidence would also weaken if the war lasts longer than expected or is further escalated with involvement of other

countries.

The Vietnamese economy is set to return to a normal growth trajectory of 6.5-7% in 2022 from the lowest-ever growth since *Đổi mới* recorded last year. External trade will sustain the momentum as the global economy is forecast to grow at an above average rate. Domestic consumption will continue to recover after the economy reopened almost at full scale and as no similar lockdowns as in 2021 are expected. The recovery pace will be further backed by the recently approved recovery supporting package of more than US\$15.0bn or 4.3% of GDP, which is comprised of both fiscal and monetary measures. Global commodity price headwinds would pose challenges to the prospect, especially because Vietnam is a net importer of petroleum products. It is estimated that a 10% increase in gasoline price will hurt Vietnam's GDP by 0.5% while lift the CPI by 0.36%<sup>1</sup>. Therefore, the progress of the war as well as the dynamics of oil price worth watching closely.

The anticipated normalized growth of the economy in 2022 bolsters corporate earnings prospect. Favorable or improving business conditions were seen at almost all sectors at the beginning of 2022. The recent surge in commodity prices would affect bottom lines of companies differently. Specifically, downstream oil & gas companies and commodity producers could benefit from the high commodity prices, companies that have strong pricing power could pass on the input-driven cost increase to consumers while companies that do not have such competitive advantage will have to face margin contraction. As a whole, corporate earnings outlook remains bright. Bloomberg consensus shows expectation of 19.1%<sup>2</sup> earnings growth of VN-Index in 2022. That translates to a 2022 forward P/E of 14.1x, which remains in a comfortable territory because the VNI's 10-year median and peak P/E valuations were 15.0x and 21.4x, respectively.

Despite the favorable earnings outlook and still reasonable valuation, high volatility in the Vietnamese equity market is expected in 2022. Firstly, it is because of uncertainties caused by the Russia-Ukraine war, particularly to the energy and some of commodities' prices as Vietnam has marginal trade relations with the two countries (Russia: 1% and 0.7% of Vietnamese exports and imports in 2021 respectively, while trade values with Ukraine are negligible). Secondly, the prospect of monetary policy normalization in developed markets has potentials to impact risky assets including equities. Any turbulence in the global stock market would likely negatively affect sentiment of investors,

<sup>1</sup> Vov.vn, 15 February 2022: Gasoline price surge threatens economic growth and creates inflation pressure

<sup>2</sup> Bloomberg, 10 March 2022

especially retail investors. Inflation could be another source of volatility. Domestic consumption demand recovery, supporting policies and global input price pressures are underlying reasons why inflation should be more of a concern in 2022. In addition, valuations are notably diverged, with rich valuation were skewed toward many smaller market-cap stocks, which posted significant risks on those.

Country	Index	Median 2022E GDP growth (%)	TTM			LFI PB
			ROE (%)	EV/EBITDA	PE	
China	SHCOMP Index	5.2	9.5	24.5x	14.2x	1.5x
Thailand	SET Index	3.9	9.6	11.7x	18.0x	1.7x
Malaysia	FBMEMAS Index	6.0	7.8	9.2x	16.8x	1.4x
Indonesia	JCI Index	5.2	9.0	9.4x	22.7x	2.3x
India	NIFTY Index	9.1	14.7	13.4x	22.3x	3.3x
The Philippines	PCOMP Index	6.9	8.7	11.5x	21.0x	1.8x
Vietnam	VNIndex (HSX)	7.4	15.5	14.0x	16.7x	2.6x
	VHIndex (HNX)		11.0	6.9x	24.7x	2.7x
Vietnam	VNIndex & VHIndex - Median		9.5	10.8x	15.8x	1.6x

Source: Bloomberg @ 14 March 2022

### 3 Investor Activity 2021

In line with the general stock market developments, the positive trend in investor subscriptions strengthened throughout most of the year with some caution exercised in the 3Q. Total subscriptions for VCBF-BCF and -TBF in 2021 increased three- to four-fold against 2020. With the bullish equity market conditions, investor interest in VCBF-FIF was not as high as in equity funds and increased by about 39% yoy. However, given opportunities to take profits, total redemptions were also high especially in the 1H 2021. Though both VCBF-BCF and -TBF had positive net sales in 2H 2021, in total net redemptions of VND46.7bn reduced the size of VCBF-BCF while VCBF-TBF grew with VND13.6bn net sales. Net sales for VCBF-FIF of VND10.2bn were marginally lower than in 2020.

In contrast, the launching of VCBF-MGF in 4Q 2021 met resounding investor interest so that the IPO raised a record VND153.0bn in subscriptions from over 1,200 investors. Once trading had begun from 2 Dec 2021, a further 300 investors joined the fund with VND13.8bn invested.

While some investors may have switched their investments from the existing funds to VCBF-MGF (or indeed between the existing funds), this can only be welcomed. Investors should re-appraise their investment targets and horizons from time to time and can – in view of the risk appetites and investment strategies of the funds (see in section II.1 A-D) – switch between the funds when required. VCBF does now have the full range of funds for investors to chose from, and investors can opt for the lower-risk expectation, fixed income fund VCBF-FIF, the expected moderate risk fund with equity returns in VCBF-TBF or the higher expected risk and return funds, VCBF-BCF and now VCBF-MGF for the longer-term, growth returns from mid-cap stocks.

All funds are designed for the investors' long-term savings plans and matching these with the right combination of funds for the investors remains a priority. VCBF has continued to pay significant attention to improve investor communications and to improve investors' awareness of general investment topics and, because of the uncertainty arising from the impact of the pandemic in Vietnam and globally, particularly of the conditions of the economy and opportunities as these arose during the year. Information and updates are sent by email and bi-monthly updates as well as over VCBF's website, Facebook, Youtube and LinkedIn channels. The livestream presentations of current developments – 'Talks with the CIO' – launched in mid-2021 with a Q&A session for investors has been very well received and the number of investors regularly attending high and also further discussed on VCBF's investors Facebook page. VCBF's website, which is updated continually whenever new information on the Funds is released or other notices or information is provided for investors, provides all links and information.

#### **4 Audited Financial Statements 1 Jan – 31 Dec 2021**

Pursuant to the delegated resolution of the investors at the IGM on 15 Apr 2021, Ernst & Young Vietnam Ltd was appointed by the FRB as auditor of both Funds for the financial year ending 31 Dec 2021. Please refer to Appendix A, B and C of these papers containing the audited financial statements of VCBF-BCF, VCBF-FIF and VCBF-TBF for the period 1 Jan – 31 Dec 2021.

It is noted that in each case the Auditors' Report is unqualified.

The IGM is requested to approve the following resolution for each Fund respectively:

A: For the investors of VCBF-BCF:

**THAT** the audited financial statements of VCBF-BCF for 1 Jan – 31 Dec 2021 be approved.

B: For the investors of VCBF-FIF:

**THAT** the audited financial statements of VCBF-FIF for 1 Jan – 31 Dec 2021 be approved.

C: For the investors of VCBF-TBF:

**THAT** the audited financial statements of VCBF-TBF for 1 Jan – 31 Dec 2021 be approved.

#### **5 Update of the Funds for the period 1 Jan – 31 Mar 2022**

The Manager shall provide further detail of the Funds' development for 1Q 2022 in its next Quarterly Report and at the IGM.

The plan for the Funds in 2022 is to pursue the investment objective of the Funds as stated in the Funds' Charters, namely:

- for VCBF-BCF, to provide medium to long-term capital appreciation by investing primarily in a diversified portfolio of stocks listed on the HSX and HNX which have a large market capitalization and are liquid;
- for VCBF-FIF, to follow a straightforward, disciplined investment strategy seeking income in a diversified portfolio of high quality fixed income assets, mainly Vietnam Government bonds, Government backed bonds, municipal bonds and high quality corporate bonds;

**Vietcombank Fund Management**

Papers for the Investors General Meetings of VCBF-BCE, VCBF-FIF, VCBF-MGF, VCBF-TBF on 15 April 2022

- for VCBF-MGF, to provide medium to long-term capital appreciation by investing primarily in a diversified portfolio of stocks listed on the HSX, HNX and UPCoM which have medium-sized market capitalizations, strong growth outlook and are liquid; and
- for VCBF-TBF, to provide long-term total return via growth of capital and current income by investing in stock and high quality fixed income instruments.

It is not planned to pay profits of the Funds as a dividend to the Unitholders, and instead will be re-invested.

\* \* \* \* \*

With the exception of the resolution in 4, this Item is intended for information purposes and no action of the IGM is required, unless otherwise determined.



### III. REPORT OF THE SUPERVISORY BANK

#### 1 VCBF-BCF

#### SUPERVISORY BANK'S REPORT

We, appointed as the Supervisory Bank of VCBF Blue Chip Fund ("the Fund") for the period from 01st January 2021 to 31st December 2021, recognize that the Fund operated and was managed in the following matters:

a) During our supervision of the Fund's investments and asset transactions for the period from 01st January 2021 to 31st December 2021, the Fund's investment portfolio deviated from investment limits under the prevailing regulations for open-end fund, Fund Charter, Fund Prospectus and other relevant regulations, details as below:

➤ Point e, Clause 04, Article 35, Circular 98/2020/TT-BTC dated 16th November 2020 providing guidance on operation and management of securities investment funds ("Circular 98") and Article 10, Fund Charter regulate that the structure of the investment portfolio of an open-end fund must ensure the following investment limit: "Total value of major investments in the fund's investment portfolio shall not exceed 40% of total value of its assets, except bond funds." In case of deviation, the Fund Management Company has to adjust the Fund's investment portfolio in conformity with the prevailing regulations within the regulated recovery timeframe.

As at 31st January 2021, the Fund's investment in major investments deviated from the limit of 40% of the Fund's total asset value due to price fluctuation of the assets in the Fund's investment portfolio and making payments of the Fund as prescribed by law, including implementation of trading orders of investors affected to the total value of major investments in the Fund's investment portfolio.

The Fund Management Company adjusted the Fund's investment portfolio to comply with the prevailing regulations within the regulated recovery timeframe.

At the other valuation dates in the period from 01st January 2021 to 31st December 2021, the Fund's investment portfolio complied with Point e, Clause 04, Article 35, Circular 98 and Article 10, Fund Charter.

- b) Assets Valuation and Pricing of the Fund units were carried out in accordance with Fund Charter, Fund Prospectus and other prevailing regulations.
- c) Fund subscriptions and redemptions were carried out in accordance with Fund Charter, Fund Prospectus and other prevailing regulations.
- d) For the period from 01st January 2021 to 31st December 2021, the Fund did not pay dividend to Fund Unit Holders.

**SUPERVISORY BANK  
REPRESENTATIVE**

**SUPERVISORY BANK OFFICER**

## **2 VCBF-FIF**

### **SUPERVISORY BANK'S REPORT**

We, appointed as the Supervisory Bank of VCBF Fixed Income Fund ("the Fund") for the period from 01<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021, recognize that the Fund operated and was managed in the following matters:

- a) During our supervision of the Fund's investments and asset transactions for the period from 01<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021, the Fund's investment portfolio complied with investment limits under prevailing regulations for open-end fund, Fund Charter, Fund Prospectus and other relevant regulations.
- b) Assets Valuation and Pricing of the Fund units were carried out in accordance with Fund Charter, Fund Prospectus and other prevailing regulations.
- c) Fund subscriptions and redemptions were carried out in accordance with Fund Charter, Fund Prospectus and other prevailing regulations.
- d) For the period from 01<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021, the Fund did not pay dividend to Fund Unit Holders.

**SUPERVISORY BANK REPRESENTATIVE**

**SUPERVISORY BANK OFFICER**

### 3 VCBF-MGF

#### SUPERVISORY BANK'S REPORT

We, appointed as the Supervisory Bank of VCBF Mid-Cap Growth Fund ("the Fund") for the period from 02nd December 2021 as the establishment date of the Fund to 31st December 2021, recognize that the Fund operated and was managed in the following matters:

a) During our supervision of the Fund's investments and asset transactions for the period from 02nd December 2021 as the establishment date of the Fund to 31st December 2021, the Fund's investment portfolio deviated from investment limits under the prevailing regulations for open-end fund, Fund Charter, Fund Prospectus and other relevant regulations, details as below:

➤ Point I, Clause 04, Article 35, Circular 98/2020/TT-BTC dated 16th November 2020 providing guidance on operation and management of securities investment funds ("Circular 98") and Article 10, Fund Charter regulate that the structure of the investment portfolio of an open-end fund must ensure the following investment limit: "It must hold securities of at least 06 issuers, except bond funds." In case of deviation, the Fund Management Company has to adjust the Fund's investment portfolio in conformity with the prevailing regulations within the regulated recovery timeframe.

At valuation date 08th December 2021, the Fund's investment portfolio deviated from the above mentioned regulation.

The Fund Management Company adjusted the Fund's investment portfolio to comply with the prevailing regulations within the regulated recovery timeframe.

At the other valuation dates in the period from 02nd December 2021 as the establishment date of the Fund to 31st December 2021, the Fund's investment portfolio complied with Point I, Clause 04, Article 35, Circular 98 and Article 10, Fund Charter.

- b) Assets Valuation and Pricing of the Fund units were carried out in accordance with Fund Charter, Fund Prospectus and other prevailing regulations.
- c) Fund subscriptions and redemptions were carried out in accordance with Fund Charter, Fund Prospectus and other prevailing regulations.
- d) For the period from 02nd December 2021 as the establishment date of the Fund to 31st December 2021, the Fund did not pay dividend to Fund Unit Holders.

**SUPERVISORY BANK REPRESENTATIVE**

**SUPERVISORY BANK OFFICER**

#### **4 VCBF-TBF**

### **SUPERVISORY BANK'S REPORT**

We, appointed as the Supervisory Bank of VCBF Tactical Balanced Fund ("the Fund") for the period from 01<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021, recognize that the Fund operated and was managed in the following matters:

- a) During our supervision of the Fund's investments and asset transactions for the period from 01<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021, the Fund's investment portfolio deviated from investment limits under the prevailing regulations for open-end fund, Fund Charter, Fund Prospectus and other relevant regulations, details as below:
- Point b, Clause 01, Article 10, Fund Charter that was approved by the Annual General Meeting of Investors with effective from April 2020 to April 2021 regulated that: "Total investments in valuable papers and securities issued by one issuer (including money market instruments, transferable instruments, securities) according to Clause 02, Article 10, Fund Charter that are from 5% of the Fund's total asset value shall not exceed of 40% of the Fund's total asset value." In case of deviation, the Fund Management Company has to adjust the Fund's investment portfolio in conformity with the prevailing regulations within the regulated recovery timeframe.

From valuation date 27<sup>th</sup> January 2021 to 31<sup>st</sup> January 2021, the Fund's investment in major investments deviated from the limit of 40% of the Fund's total asset value due to Fund Charter had not been updated the exclusion of investments in certificates of deposit from investments in valuable papers when calculating major investments as prescribed in Circular 98/2020/TT-BTC. The Fund developed an amended Fund Charter to update changes in accordance with the provisions of the Law on Securities No. 54/2019/QH14, the Law on Enterprises No. 59/2020/QH14, Circular 98/2020/TT-BTC and other relevant regulations to submit to the Annual General Meeting of Investors and was approved on 15 April 2021.

The Fund Management Company adjusted the Fund's investment portfolio to comply with the prevailing regulations within the regulated recovery timeframe.

At the other valuation dates in the period from 01<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021, the Fund's investment portfolio complied with Point b, Clause 01, Article 10, Fund Charter.

- Point dd, Clause 04, Article 35, Circular 98/2020/TT-BTC dated 16th November 2020 providing guidance on operation and management of securities investment funds ("Circular 98") and Article 10, Fund Charter regulate that the structure of the investment portfolio of an open-end fund must ensure the following investment limit: "The fund shall not invest more than 10% of total value of its assets in shares initially offered to the public, bonds offered to the public; corporate bonds privately placed by listed organizations with payment guarantee by credit institutions or with the issuer's commitment to repurchase at least 30% of the value of the bond offering at least once every 12 months." In case of deviation, the

Fund Management Company has to adjust the Fund's investment portfolio in conformity with the prevailing regulations within the regulated recovery timeframe.

From valuation date 21st July 2021 to 31st July 2021, the Fund's investment in unlisted corporate bonds deviated from the limit of 10% of the Fund's total asset value due to price fluctuation of the assets in the Fund's investment portfolio and making payments of the Fund as prescribed by law, including implementation of trading orders of investors.

The Fund Management Company adjusted the Fund's investment portfolio to comply with the prevailing regulations within the regulated recovery timeframe.

At the other valuation dates in the period from 01st January 2021 to 31st December 2021, the Fund's investment portfolio complied with Point dd, Clause 04, Article 35, Circular 98 and Article 10, Fund Charter.

- b) Assets Valuation and Pricing of the Fund units were carried out in accordance with Fund Charter, Fund Prospectus and other prevailing regulations.
- c) Fund subscriptions and redemptions were carried out in accordance with Fund Charter, Fund Prospectus and other prevailing regulations.
- d) For the period from 01<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021, the Fund did not pay dividend to Fund Unit Holders.

**SUPERVISORY BANK REPRESENTATIVE**

**SUPERVISORY BANK OFFICER**

## **IV. REPORT OF THE BOARD OF REPRESENTATIVES FOR 2021**

### **1 VCBF-BCF**

The Board of Representatives of VCBF Blue Chip Fund ("the Fund") is pleased to present this report and the financial statements of the Fund for the year ended on 31 December 2021.

#### **THE RESPONSIBILITY OF THE BOARD OF MANAGEMENT OF THE FUND MANAGEMENT COMPANY IN RESPECT OF THE FINANCIAL STATEMENTS**

The Board of Management of Vietcombank Fund Management ("the Fund Management Company") is responsible for the financial statements of each financial year which give a true and fair view of the financial position, investment portfolio of the Fund as at 31 December 2021 and of the results of its operations, changes in its net assets, transactions of fund units and its cash flows for the year then ended. In preparing those 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 applicable to the Fund have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ▶ prepare the 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 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 financial statements.

#### **APPROVAL OF THE FINANCIAL STATEMENTS**

We hereby approved the accompanying financial statements which, based on the confirmation of the Board of Management of the Fund Management Company, give a true and fair view of the financial position, investment portfolio of the Fund as at 31 December 2020 and of the results of its operations, changes in its net asset value, transactions of fund units and its cash flows for the year then ended 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' financial statements.

On behalf of the Board of Representatives:

Signed: Mr. Mac Quang Huy, Chairman  
Ho Chi Minh City, Vietnam

[DATE] March 2022

## **2 VCBF-FIF**

The Board of Representatives of VCBF Fixed Income Fund ("the Fund") is pleased to present this report and the financial statements of the Fund for the year ended on 31 December 2021.

### **THE RESPONSIBILITY OF THE BOARD OF MANAGEMENT OF THE FUND MANAGEMENT COMPANY IN RESPECT OF THE FINANCIAL STATEMENTS**

The Board of Management of Vietcombank Fund Management ("the Fund Management Company") is responsible for the financial statements of each financial year which give a true and fair view of the financial position, investment portfolio of the Fund as at 31 December 2021 and of the results of its operations, changes in its net assets, transactions of fund units and its cash flows for the year then ended. In preparing those 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 applicable to the Fund have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ▶ prepare the 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 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 financial statements.

### **APPROVAL OF THE FINANCIAL STATEMENTS**

We hereby approved the accompanying financial statements which, based on the confirmation of the Board of Management of the Fund Management Company, give a true and fair view of the financial position, investment portfolio of the Fund as at 31 December 2021 and of the results of its operations, changes in its net asset value, transactions of fund units and its cash flows for the year then ended 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' financial statements.

On behalf of the Board of Representatives:

Signed: Mr. Mac Quang Huy, Chairman  
Ho Chi Minh City, Vietnam

[DATE] March 2022

### **3 VCBF-TBF**

The Board of Representatives of VCBF Tactical Balanced Fund ("the Fund") is pleased to present this report and the financial statements of the Fund for the year ended on 31 December 2021.

#### **THE RESPONSIBILITY OF THE BOARD OF MANAGEMENT OF THE FUND MANAGEMENT COMPANY IN RESPECT OF THE FINANCIAL STATEMENTS**

The Board of Management of Vietcombank Fund Management ("the Fund Management Company") is responsible for the financial statements of each financial year which give a true and fair view of the financial position, investment portfolio of the Fund as at 31 December 2021 and of the results of its operations, changes in its net assets, transactions of fund units and its cash flows for the year then ended. In preparing those 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 applicable to the Fund have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ▶ prepare the 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 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 financial statements.

#### **APPROVAL OF THE FINANCIAL STATEMENTS**

We hereby approved the accompanying financial statements which, based on the confirmation of the Board of Management of the Fund Management Company, give a true and fair view of the financial position, investment portfolio of the Fund as at 31 December 2021 and of the results of its operations, changes in its net asset value, transactions of fund units and its cash flows for the year then ended 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' financial statements.

On behalf of the Board of Representatives:

Signed: Mr. Mac Quang Huy, Chairman  
Ho Chi Minh City, Vietnam

[DATE] March 2022



## V. DELEGATION OF AUTHORITY OF THE IGM TO THE FRB

The delegation of selected authorities of the IGM to the FRB for VCBF-BCF, VCBF-FIF and VCBF-TBF was approved in the last IGMs on 15 Apr 2021 and within the IPO procedure by the investors for VCBF-MGF. Pursuant to Art 22 (3) of the Fund Charters (and in accordance with Art 19 (2) (e) of Circ 98), such delegation must be reconfirmed at the next IGM to be continued.

It is proposed that the delegation of the authority to the FRB is reconfirmed for VCBF-BCF, VCBF-FIF, VCBF-MGF and VCBF-TBF as was approved in the last IGM, namely:

- To approve fundamental changes in a Fund's investment policies and objectives; to approve changes of the fee payable to the Manager or the Supervisory Bank; to replace the Manager or the Supervisory Bank;
- To approve the split, consolidation, merger, dissolution of a Fund; to change the operating period of a Fund;
- To decide the profit distribution plan;
- To elect, remove or discharge the Chairperson or a member of the Fund Representative Board; to approve the remuneration and operating expenses of the Fund Representative Board; to approve the selection of the approved auditing firm to audit annual financial statements of the Fund and the independent valuation firm (if any); to approve reports on the financial position, assets and annual operations of the Fund;
- To consider and handle violations committed by the Manager or the Supervisory Bank or the Fund Representative Board if they cause damage to the Fund;
- To request for records or transaction documents presented by the Manager or the Supervisory Bank at the IGM.

The FRB shall conduct the reports of decisions in accordance with the Fund's Charter and the Law, to the Unitholders and to the SSC on those issues resolved under its powers delegated by the IGM.

Subject to revisions, the IGM is requested to approve the resolution for each Fund respectively:

A: For the investors of VCBF-BCF:

**THAT** the authority of the IGM to approve motions contained in Art 22 (2) sub-clauses b), c), d), e), f) and g) of the Fund Charter of VCBF-BCF is delegated to the FRB until further notice be approved.

B: For the investors of VCBF-FIF:

**THAT** the authority of the IGM to approve motions contained in Art 22 (2) sub-clauses b), c), d), e), f) and g) of the Fund Charter of VCBF-FIF is delegated to the FRB until further notice be approved.

C: For the investors of VCBF-MGF:

**THAT** the authority of the IGM to approve motions contained in Art 22 (2) sub-clauses b), c), d), e), f) and g) of the Fund Charter of VCBF-MGF is delegated to the FRB until further notice be approved.

D: For the investors of VCBF-TBF:

**THAT** the authority of the IGM to approve motions contained in Art 22 (2) sub-clauses b), c), d), e), f) and g) of the Fund Charter of VCBF-TBF is delegated to the FRB until further notice be approved.

## VI. AMENDMENTS TO THE FUND CHARTERS

A number of main changes of the Charters of VCBF-BCF, VCBF-FIF, VCBF-MGF and VCBF-TBF are proposed. Pursuant to Art 63 of the Fund Charter, the IGM is requested to review and approve the changes to the Charters as listed below. (Note: the changes presented are defined by the Vietnamese language Charter; the English translations below are for orientation only.)

The changes are indicated in tables with the deletions in strikethrough and bold text for insertions in the relevant Articles for the existing and proposed wordings of the fund Charters.

The changes are grouped in similar changes for each of the funds for convenience only.

### 1. Change of investment strategies (VCBF-BCF and -TBF only)

Current wording	Proposed changes
<b>Art 9.1 Investment Strategy – VCBF-BCF</b>	
For the portfolio of investment assets in Vietnam, the Fund will invest mainly in the portfolio of stocks listed on the HSX and HNX with large market capitalization and good liquidity. Stocks considered large market cap are those with a market capitalization larger than the market capitalization of the <del>400th largest market capitalization listed on the HSX.</del>	For the portfolio of investment assets in Vietnam, the Fund will invest mainly in the portfolio of stocks listed on the HSX and HNX with large market capitalization and good liquidity. Stocks considered large market capitalization are those with a market capitalization larger than <b>or equal to</b> the market capitalization of the <b>smallest capitalization stock in the VN30 index basket of HSX.</b>
<b>Art 9.4 Investment Strategy – VCBF-TBF</b>	
For the portfolio of investment assets in Vietnam, the Fund will invest mainly in the portfolio of stocks listed on the HSX and HNX with large market capitalization and good liquidity. Stocks considered large market cap are those with a market capitalization larger than the market capitalization of the <del>100th largest market capitalization listed on the HSX.</del>	For the portfolio of investment assets in Vietnam, the Fund will mainly invest in a diversified portfolio of listed stocks with large and <b>medium</b> market capitalization on the HSX and HNX. <b>Mid- and large-cap</b> stocks are defined as those whose market capitalization is larger than <b>or equal to</b> the market capitalization of the <b>smallest-cap stock in the VN100 index basket of HSX.</b>

### 2. Provision to allow VCBF to invest seed money (VCBF-BCF, -FIF and -TBF)

Current wording	Proposed changes
<b>Art 13.4 Enabling VCBF to invest seed money – VCBF-BCF, -FIF and -TBF</b>	
Related persons of the Fund Management Company, members of the Board of Directors, General Director, Deputy General Director, employees of the Fund Management Company and related persons of members of the Board of Directors, General Director, Deputy General Director, employees of the Fund Management Company are allowed to trade Fund Certificates and Become an Investor.	<b>Fund Management Company</b> , related persons of the Fund Management Company ( <b>except for funds, securities investment companies managed by the Fund Management Company</b> ), members of the Board of Directors, General Director, Deputy General Director, employees of the Fund Management Company and related persons of members of the Board of Directors, General Director, Deputy General Director, employees of the Fund Management Company are allowed to trade Fund Certificates and Become an

	Investor.
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3. Change of frequency of OEF Trading Days (VCBF-BCF, -FIF and -TBF)

Current wording	Proposed changes
<b>Art 16.2 Adjustment Trading Days – VCBF-BCF, -FIF, -MGF and -TBF</b>	
<p>Investors may buy, sell or convert Funds Unit Funds on every Wednesday if that day is a Business Day ("Trading Day"). If Wednesday is not a Business Day, then the Trading Day will be the next Business Day. If that next Business Day is a Tuesday, then the Trading Day will be the Wednesday of that week.</p> <p>The change of the Trading Date due to a holiday will be notified in advance to the Official Transaction Acceptance Points and announced on the website of the Fund Management Company. The Fund Management Company may change the trading frequency or/and the Trading Date when it deems necessary, provided that it is approved by the General Meeting of Investors in accordance with the provisions of the Law and this Charter.</p>	<p>Investors may buy, sell, and convert Fund Units <b>accordance with the provisions of the Fund's Prospectus.</b></p> <p>The change of the Trading Date due to a holiday will be notified in advance to the Official Transaction Acceptance Points and announced on the website of the Fund Management Company.</p>

4. Change of SIP process (VCBF-BCF, -FIF, -MGF and -TBF)

Current wording	Proposed changes
<b>Art 16.10 Flexible SIP process – VCBF-BCF, -FIF, -MGF and -TBF</b>	
<p>Investors can subscribe Fund Units under the systematic investment program (hereinafter referred to as "SIP"). Accordingly investors who choose the SIP program can invest a regular amount to buy Fund Units. The method of placing trading orders for Fund Units, the minimum investment, the payment date, the time of closing the order book, etc., are specified in the Prospectus.</p>	<p>Investors can subscribe Fund Units under the systematic investment program (hereinafter referred to as "SIP"). Accordingly, <b>depending on the design of the Fund Manager</b>, investors who choose the SIP program can invest regular <b>amount(s)</b> to buy Fund Units. The method of placing trading orders for Fund Units, the minimum investment, the payment date, the time of closing the order book, etc., are specified in the Prospectus.</p>

5. Change of SIP process (VCBF-BCF, -FIF and -TBF)

Current wording	Proposed changes
<b>Art 20.2 Amending IGM – VCBF-BCF, -FIF and -TBF</b>	
<p>The Fund Management Company will hold the Annual General Meeting of Investors on or before April 30 every year.</p>	<p>The Fund Management Company will hold the Annual General Meeting of Investors on or before April 30 every year <b>and may be extended in accordance with the law.</b></p>

6. **Changes of service providers fees for multiple Trading Days (VCBF-BCF, -FIF, -MGF and -TBF)**

Current wording	Proposed changes
<b>Art 58.2 Supervisory Bank fee for multiple Trading Days – VCBF-BCF, -FIF, -MGF and -TBF</b>	
<p>The price of Supervisory Bank service is 0.04% (four basis points) per year on NAV with a minimum of VND 18,000,000 (Eighteen million VND) per month. <del>A minimum fee of VND 11,000,000 (Eleven million VND) per month is applicable for the first six months from the effective date of this Charter.</del> Supervisory Bank service charges are calculated and accrued on a daily basis and are paid monthly to the Supervisory Bank. The price of supervisory banking services above does not include value added tax.</p>	<p><b>In case the Fund trades with a frequency of 01 (one) times/week</b>, the price of Supervisory Bank service is 0.04% (four basis points) per year on NAV with a minimum of VND 18,000,000 (Eighteen million VND) per month *). Supervisory Bank service charges are calculated and accrued <b>periodically according to valuation period</b> and are paid monthly to the Supervisory Bank. The price of supervisory banking services above does not include value added tax (if any).</p> <p><b>In case the Fund trades with a frequency of 02 (two) times/week</b>, the Supervisory Service Rate is xxx% (xxx basis points) per year on NAV with a minimum of xxx VND (xxx VND) per month. In case the Manager is able to try to get a more favorable rate than the above-mentioned minimum rate, then such favorable rate shall be applied. The Price of Supervisory Bank Services is calculated and accumulated periodically according to valuation period and is paid monthly to the Supervisory Bank. The price of supervisory banking services above does not include value added tax (if any). Subject to the authorization of the General Meeting of Investors to the Fund Representative Board as provided for in this Charter, the Fund Representative Board is entitled to decide the Rate of Supervisory Banking Service by considering the proposal of the Fund Manager and/or Supervisory Bank.</p> <p>*) Note: This fee is VND11,000,000 (Eleven million VND for VCBF-MGF)</p>
<b>Art 58.3 Custodian Bank fee for multiple Trading Days – VCBF-BCF, -FIF, -MGF and -TBF</b>	
<p>Price of custody service is 0.04% (four basis points) per year on NAV with a minimum of VND 18,000,000 (Eighteen million VND) per month *). <del>A minimum fee of VND 11,000,000 (Eleven million VND) per month is applicable for the first six months from the effective date of this Charter.</del> Custodian Bank service charges are calculated and accrued on a daily basis and are paid monthly to the Custodian Bank. The price of custodial banking services above does not include transaction and registration fees for</p>	<p><b>In case the Fund trades with a frequency of 01 (one) times/week</b>, the price of custody service is 0.04% (four basis points) per year on NAV with a minimum of VND 18,000,000 (Eighteen million VND) per month. Custodian Bank service charges are calculated and accrued <b>periodically according to valuation period</b> and are paid monthly to the Custodian Bank. The price of custodial banking services above does not include transaction and registration fees for securities transactions, value added tax (if any).</p>

securities transactions, value added tax.	
*) Note: This fee is VND11,000,000 (Eleven million VND for VCBF-MGF)	
Current wording	Proposed changes
Art 58.3 cont'd	
	<p><b>In case the Fund trades with a frequency of 02 (two) times/week, the custody service rate is xxx% (xxx basis points) per year on NAV with a minimum of xxx VND (xxx VND) per month. In case the Manager is able to try to get a more favorable rate than the above-mentioned minimum rate, then such favorable rate shall be applied. The price custody service is calculated and accumulated periodically according to valuation period and is paid monthly to the Custodian Bank. The price of custodian banking services above does not include transaction and registration fees for securities transactions, value added tax (if any). Subject to the authorization of the General Meeting of Investors to the Fund Representative Board as provided for in this Charter, the Fund Representative Board is entitled to decide the Rate of custody service by considering the proposal of the Fund Manager and/or Supervisory Bank.</b></p>
Art 58.4 Fund Admin fee for multiple Trading Days – VCBF-BCF, -FIF, -MGF and -TBF	
<p>The price of Fund administration service 0.04% (four basis points) per year on NAV with a minimum of VND 18,000,000 (Eighteen million VND) per month. <del>This minimum fee is waived for six months from the effective date of this Charter.</del> The fund administration service charges are calculated and accrued on a <del>daily</del> basis and are paid monthly to the Custodian Bank. The price of fund administration service above does not include value added tax.</p>	<p><b>In case the Fund trades with a frequency of 01 (one) times/week, the price of Fund administration service is 0.04% (four basis points) per year on NAV with a minimum of VND 18,000,000 (Eighteen million VND) per month. The Fund administration charges are calculated and accrued periodically according to valuation period and are paid monthly to the Custodian Bank. The price of fund administration services above does not include value added tax (if any).</b></p> <p><b>In case the Fund trades with a frequency of 02 (two) times/week, the fund administration rate is xxx% (xxx basis points) per year on NAV with a minimum of xxx VND (xxx VND) per month. In case the Manager is able to try to get a more favorable rate than the above-mentioned minimum rate, then such favorable rate shall be applied. The Price of fund administration is calculated and accumulated periodically according to valuation period and is paid monthly to the Custodian Bank. The price of fund administration services above does</b></p>

**Vietcombank Fund Management**

Papers for the Investors General Meetings of VCBF-BCF, VCBF-FIF, VCBF-MGF, VCBF-TBF on 15 April 2022

	not include value added tax (if any). Subject to the authorization of the General Meeting of Investors to the Fund Representative Board as provided for in this Charter, the Fund Representative Board is entitled to decide the Rate of fund administration service by considering the proposal of the Fund Manager and/or Supervisory Bank.
Article 58.5	Newly add for BCF, TBF and FIF (already have this clause for MGF)
The price for preparing financial statements for the fund is VND 36,000,000 (thirty-six million dong)/year, equivalent to VND 3,000,000 (three million dong)/month. This service price does not include value added tax (if any). In case the Manager is able to try to get a more favorable rate than the above-mentioned price, then such favorable rate shall be applied.	

Subject to review, the IGM of each Fund is requested to approve the proposed amendments to the Charters of VCBF-BCF, VCBF-FIF, VCBF-MGF and VCBF-TBF respectively and approve the following resolutions:

A: For the investors of VCBF-BCF:

**THAT** the amendments of the VCBF-BCF Charter to Article 9 Clause 1, Article 13 Clause 4, Article 16 Clause 2 and Clause 10, Article 20 Clause 2, and Article 58 Clause 2, Clause 3 and Clause 4 and other non-material changes as tabled be approved.

B: For the investors of VCBF-FIF:

**THAT** the amendment of the VCBF-FIF Charter to Article 13 Clause 4, Article 16 Clause 2 and Clause 10, Article 20 Clause 2, and Article 58 Clause 2, Clause 3 and Clause 4 and other non-material changes as tabled be approved.

C: For the investors of VCBF-MGF:

**THAT** the amendments of the VCBF-MGF Charter to Article 16 Clause 2 and Clause 10, and Article 58 Clause 2, Clause 3 and Clause 4 and other non-material changes as tabled be approved.

D: For the investors of VCBF-TBF:

**THAT** the amendments of the VCBF-TBF Article 9 Clause 4, Article 13 Clause 4, Article 16 Clause 2 and Clause 10, Article 20 Clause 2, and Article 58 Clause 2, Clause 3 and Clause 4 and other non-material changes as tabled be approved.

## **VII. INVESTORS' QUESTIONS AND ANSWERS**

Following the voting on the Financial Statements and the administrative items in Nos. V and VI above, the investors attending the IGMs of the Funds are invited to participate in questions and answers with the Manager. This section can be continued as time and the number of questions allows.



## VIII. APPROVAL OF THE IGM MINUTES AND IGM'S RESOLUTIONS

Subject to completion by the IGM secretariat and presentation to the IGM, the IGM is requested to approve the IGM Minutes and the IGM's resolutions for both Funds respectively, which are the approval of the audited financial statements as in Item II 4, the delegation of authority to the FRB and the amendments to the Funds' Charter as in Items V – VI (the "IGM Resolutions"), by passing the following resolution:

A: For the investors of VCBF-BCF;

**THAT** the IGM Minutes and the IGM's Resolutions for VCBF-BCF be approved; and

**THAT** the Chairman and the Secretariat sign the IGM Minutes and the IGM Resolutions for VCBF-BCF be approved.

B: For the investors of VCBF-FIF;

**THAT** the IGM Minutes and the IGM's Resolutions for VCBF-FIF be approved; and

**THAT** the Chairman and the Secretariat sign the IGM Minutes and the IGM Resolutions for VCBF-FIF be approved.

C: For the investors of VCBF-MGF;

**THAT** the IGM Minutes and the IGM's Resolutions for VCBF-MGF be approved; and

**THAT** the Chairman and the Secretariat sign the IGM Minutes and the IGM Resolutions for VCBF-MGF be approved.

D: For the investors of VCBF-TBF;

**THAT** the IGM Minutes and the IGM's Resolutions for VCBF-TBF be approved; and

**THAT** the Chairman and the Secretariat sign the IGM Minutes and the IGM Resolutions for VCBF-TBF be approved.



**APPENDIX A: AUDITED FINANCIAL STATEMENTS VCBF-BCF**



**VCBF Blue Chip Fund**  
**Audited Financial Statements**  
**as at 31 December 2021**

Note: This appendix is attached in the printed format and, to manage total file sizes, is not attached in soft-copy. Please obtain the file from <http://www.vcbf.com/en/open-ended-funds/investors-general-meeting/>

## APPENDIX B: AUDITED FINANCIAL STATEMENTS VCBF-FIF



### **VCBF Fixed Income Fund**

**Audited Financial Statements**

**as at 31 December 2021**

Note: This appendix is attached in the printed format and, to manage total file sizes, is not attached in soft-copy. Please obtain the file from <http://www.vcbf.com/en/open-ended-funds/investors-general-meeting/>

## **APPENDIX C: AUDITED FINANCIAL STATEMENTS VCBF-TBF**



### **VCBF Tactical Balanced Fund**

**Audited Financial Statements**

**as at 31 December 2021**

Note: This appendix is attached in the printed format and, to manage total file sizes, is not attached in soft-copy. Please obtain the file from <http://www.vcbf.com/en/open-ended-funds/investors-general-meeting/>