

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. When considering what action you should take, you are recommended immediately to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriately qualified independent financial adviser authorised under the Financial Services and Markets Act 2000 (or, if you are a person outside of the United Kingdom, otherwise duly qualified in your jurisdiction).

This document comprises a prospectus relating to VietNam Holding Limited prepared in accordance with the Prospectus Rules made under section 84 of the Financial Services and Markets Act 2000 in order to make an offer of transferable securities to the public. This document has been approved by and filed with the Financial Conduct Authority in accordance with the Prospectus Rules. This document and the information herein relates expressly to the Bonus Issue, the Warrants and the Shares.

If you sell or have sold or otherwise transferred all of your Shares, please send this document at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom or by whom the sale or transfer was made, for delivery to the purchaser or transferee.

Application will be made for the Warrants (and any Shares issued on exercise of the Warrants) to be admitted to trading on AIM, the market operated by the London Stock Exchange plc (**AIM**). It is expected that the admission of the Warrants to trading on AIM will take place and dealings in the Warrants will commence on 5 June 2015. The rules of AIM are less demanding than those of the Official List of the United Kingdom Listing Authority. This document also comprises an AIM admission document for the purposes of, and has been prepared in accordance with, the AIM Rules.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial advisor.

Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange plc has not itself examined or approved the contents of this document.

It is emphasised that no application is being made for admission of the Warrants to the Official List of the United Kingdom Listing Authority. The Warrants will not be dealt in on any other recognised investment exchange and no application has been or is being made for the Warrants to be admitted to any such exchange. The Shares are admitted to trading on AIM and to the Entry Standard of the Deutsche Börse.

VIETNAM HOLDING LIMITED

(Incorporated under the laws of the Cayman Islands with registration number 0166182)

PROSPECTUS

Bonus Issue of Warrants to subscribe for Shares

Nominated Adviser

Altium Capital Limited

The Shares are not, and the Warrants will not be, registered under the Securities Act or under the relevant laws of any State of the United States or any state, province or territory of Australia, Canada, Japan, New Zealand, the Republic of South Africa or any EEA Member State (other than the UK). Subject to certain exceptions, the Warrants issued under the Bonus Issue and any Shares arising on their exercise may not, directly or indirectly, be offered, sold, taken up, delivered or transferred in or into the United States, Australia, Canada, Japan, New Zealand, the Republic of South Africa or any EEA Member State (other than the UK or, subject to certain limitations, Luxembourg) or to, or for the account or benefit of, US Persons (as defined in Regulation S of the Securities Act). The Warrants and the Shares have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Bonus Issue or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States. The attention of Restricted Shareholders and other recipients of this document who are residents or citizens of any country outside the UK is drawn to the section entitled "Restricted Shareholders" in Part II of this document.

The whole text of this document should be read. The attention of potential investors is drawn in particular to the section of this document entitled "Risk Factors". Investment in Vietnam carries a high degree of risk. Accordingly, investment in VietNam Holding Limited is only suitable for sophisticated investors who are aware of the risks and who have the ability and willingness to accept the risk of total loss of capital that may result from an investment in the Company.

Prospective investors should inform themselves as to: (a) the possible tax consequences; (b) the legal requirements; and (c) any foreign exchange restrictions or exchange control requirements, which they might encounter under the laws of the countries of their citizenship, residence or domicile, and which might be relevant to the subscription, holding or disposal of the Warrants or Shares or the exercise of any rights connected to the Bonus Issue.

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SUMMARY

Summaries are made up of disclosure requirements known as "**Elements**". These elements are numbered in Sections A-E (A.1—E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable."

Section A—Introduction and warnings		
Element		
A.1	Introduction	<p>This summary should be read solely as an introduction to this document.</p> <p>Any decision by a prospective investor to invest in Warrants or Shares should be based on a consideration of this document as a whole.</p> <p>Where a claim relating to the information contained in this document is brought before a court in an EEA Member State, the plaintiff investor might, under the national legislation of the EEA Member State where the claim is brought, have to bear the costs of translating this document before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this document or it does not provide, when read together with the other parts of this document, key information in order to aid investors when considering whether to invest in the Warrants or the Shares.</p>
A.2	Consent for intermediaries	Not applicable. The Company has not given its consent to the use of this document for subsequent resale or final placement of securities by financial intermediaries.

Section B—Issuer		
Element		
B.1	Legal and Commercial Name	VietNam Holding Limited (the Company).
B.2	Domicile / Legal Form / Legislation / Country of Incorporation	The Company was incorporated with limited liability and registered in the Cayman Islands as an exempted company under the Companies Law on 20 April 2006 with number CD-166182. The Shares are, and have been since 15 June 2006, admitted to trading on AIM and a secondary quotation on the Entry Standard has been maintained since 20 October 2008. The Company has an unlimited life with regular continuation votes. The next continuation vote will be proposed at the annual general meeting of the Company to be held in 2018.
B.3	Current operations/ principal activities	The Company's investment objective is to deliver sustainable medium to long-term capital appreciation of its assets by investing in a portfolio of equity securities consisting of listed and non-listed Vietnamese companies. The

Section B—Issuer

Element														
	and markets	Investment Manager attempts to assist the Company to achieve these investment objectives by applying a fundamental research driven approach to identifying undervalued companies with strong prospects for future growth. Environmental, social and corporate governance factors are incorporated into the Investment Manger's investment analysis and decision making process.												
B.4a	Significant Trends	<p>Vietnam's equity market indices have fallen slightly since the beginning of 2015. As at 15 May 2015 (the latest practicable date prior to the publication of this document) the VNI was at 537.44, a 1.5 per cent. decrease from the 545.6 level as at 31 December 2014.</p> <p>In the Company's view, this decrease has been driven mainly by domestic investors' sentiment, itself inspired by the following elements:</p> <ol style="list-style-type: none"> 1) Exchange Traded Funds taking US\$7 million from the markets during the first quarter of 2015, influencing investor perception even though this outflow was offset by inflows generated by other foreign investors; and 2) the anticipated impact of lower international oil prices on oil and gas related companies in Vietnam. Whilst lower oil prices are generally perceived as positive for the Vietnamese economy, the weighting of energy related companies in the Vietnam Stock Market indices contributed to this negative sentiment <p>The Company has observed, however, that investor sentiment has recently started to improve positively impacting the indices performance. This is a reflection of accelerating GDP growth, the trade account remaining broadly balanced, inflation remaining low, domestic consumption gradually improving and an achievable target for the depreciation of the Dong. Foreign Direct Investment disbursements remain strong, up 7 per cent. year-on-year in the first two months of 2015.</p> <p>In this context, the Company has kept investing actively, either increasing/decreasing its stakes in existing Investee Companies or acquiring stakes in new targets. Equity investments represented 93.1 per cent. of NAV as at 15 May 2015, a decrease from representation of 94.2 per cent. as at 31 December 2014.</p>												
B.5	Description of Issuer's group	The Company is a closed-end investment company and does not have any subsidiaries.												
B.6	Shareholders	<p>As at 15 May 2015 (being the latest practicable date prior to the publication of this document), the Company's significant shareholders are:</p> <table border="1"> <thead> <tr> <th>Name of Shareholder</th> <th>Number of Shares</th> <th>Per cent. of issued Shares</th> </tr> </thead> <tbody> <tr> <td>De Pury Pictet Turretini & Cie SA</td> <td>3,074,831</td> <td>5.13</td> </tr> <tr> <td>Ecclesiastical Investment Management</td> <td>3,000,000</td> <td>5.01</td> </tr> <tr> <td>Advance Emerging Capital</td> <td>2,800,000</td> <td>4.67</td> </tr> </tbody> </table> <p>The Directors are not aware of any person or persons who, following the Bonus Issue, will or could, directly or indirectly, jointly or severally, exercise control over the Company.</p> <p>None of the Company's significant shareholders have or will have, immediately following the issue of the Warrants, different voting rights attached to the</p>	Name of Shareholder	Number of Shares	Per cent. of issued Shares	De Pury Pictet Turretini & Cie SA	3,074,831	5.13	Ecclesiastical Investment Management	3,000,000	5.01	Advance Emerging Capital	2,800,000	4.67
Name of Shareholder	Number of Shares	Per cent. of issued Shares												
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Advance Emerging Capital	2,800,000	4.67												

Section B—Issuer

Element						
		Warrants they hold in the Company.				
B.7	Selected key historical financial information	The Company's consolidated financial information set out below has been extracted without material adjustment from the audited financial statements of the Company as at, and for the years ended, 30 June 2014, 2013 and 2012 and the unaudited interim financial information for the six months ended 31 December 2014.				
		Net Assets				
			As at 31 December 2014		As at 30 June	
			2014	2014	2013	2012
			US\$'000	US\$'000	US\$'000	US\$'000
		Cash and cash equivalents	4,105	2,460	2,672	3,070
		Investments in securities at fair value	117,301	118,526	83,939	66,709
		Other assets	3,671	1,319	1,700	217
		Total assets	125,077	122,305	88,311	69,996
		Share capital	116,365	120,094	109,508	110,484
		Retained earnings	8,104	392	(22,239)	(40,988)
		Net Assets attributable to Shareholders	124,469	120,486	87,269	69,496
		NAV per Share (US\$)	2.059	1.921	1.648	1.295
		Profit and Loss				
			Year ended 30 June			
			2014	2013	2012	
			US\$'000	US\$'000	US\$'000	
		Dividend income from equity securities	4,087	4,043	4,308	

Section B—Issuer

Element				
	Net gain / (loss) from equity securities at fair value through profit and loss	23,123	17,446	7,220
	Net foreign exchange gain / (loss)	(17)	(31)	(56)
	Net investment income	27,194	21,457	11,471
	Investment management fees	2,142	1,466	1,290
	Incentive fees	954	-	-
	Directors fees and expenses	296	215	256
	Publicity and investor relations fees	267	278	233
	Administrative expenses	229	177	227
	Advisory fees	149	163	146
	Custodian fees	142	76	101
	Other operating expenses	383	334	298
	Total operating expenses	4,562	2,709	2,551
	Change in net assets attributable to shareholders	22,632	18,748	8,920
	<i>Profit and Loss</i>			
			6 months ended 31 December	
			2014	2013
			US\$'000	US\$'000
	Dividend income from equity securities		1,715	1,670
	Net gain / (loss) from equity securities at fair value through profit and loss		8,026	11,796
	Net foreign exchange gain / (loss)		(46)	(9)
	Net investment income		9,695	13,457

Section B—Issuer

Element																																
		<table border="0"> <tr> <td>Investment management fees</td> <td align="right">1,239</td> <td align="right">958</td> </tr> <tr> <td>Incentive fees</td> <td align="right">-</td> <td align="right">-</td> </tr> <tr> <td>Directors fees and expenses</td> <td align="right">135</td> <td align="right">135</td> </tr> <tr> <td>Publicity and investor relations fees</td> <td align="right">147</td> <td align="right">158</td> </tr> <tr> <td>Administrative expenses</td> <td align="right">114</td> <td align="right">108</td> </tr> <tr> <td>Advisory fees</td> <td align="right">91</td> <td align="right">75</td> </tr> <tr> <td>Custodian fees</td> <td align="right">63</td> <td align="right">88</td> </tr> <tr> <td>Other operating expenses</td> <td align="right">195</td> <td align="right">226</td> </tr> <tr> <td>Total operating expenses</td> <td align="right">1,984</td> <td align="right">1,748</td> </tr> <tr> <td>Change in net assets attributable to shareholders</td> <td align="right">7,712</td> <td align="right">11,709</td> </tr> </table>	Investment management fees	1,239	958	Incentive fees	-	-	Directors fees and expenses	135	135	Publicity and investor relations fees	147	158	Administrative expenses	114	108	Advisory fees	91	75	Custodian fees	63	88	Other operating expenses	195	226	Total operating expenses	1,984	1,748	Change in net assets attributable to shareholders	7,712	11,709
Investment management fees	1,239	958																														
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Change in net assets attributable to shareholders	7,712	11,709																														
B.8	Selected pro forma financial information	Not applicable. No pro forma financial information has been produced.																														
B.9	Profit forecast/estimate	Not applicable. No profit forecasts or estimates made.																														
B.10	Audit Report - qualifications	Not applicable. There are no qualifications made in the audit report.																														
B.11	Working capital insufficiency	Not applicable. In the Company's opinion, the Company has sufficient working capital for its present requirements, that is for at least the 12 months following the date of this document.																														
B.34	Investment Objective, investment policy, and investment restrictions	<p>The following is a summary of the Company's Investing Policy.</p> <p>The Company attempts to achieve its investment objective by investing in the securities of public companies in Vietnam, and in the securities of foreign companies if a majority of their assets and/or operations are based in Vietnam. The Company may invest in equity securities or securities that have equity features, such as bonds that are convertible into equity. The Company may invest in equity securities of public companies in Vietnam, either through purchases of their shares on the Vietnam Stock Exchanges, through purchases on the OTC Market, or through privately negotiated deals.</p> <p>The Company incorporates ESG factors into its investment analysis and decision-making process.</p> <p>The Company may invest:</p> <ul style="list-style-type: none"> • up to 25 per cent. of its Net Asset Value (at the time of investment) in companies with shares traded outside of Vietnam if a majority of their assets and/or operations are based in Vietnam; 																														

Section B—Issuer

Element	
	<ul style="list-style-type: none"> • up to 20 per cent. of its Net Asset Value (at the time of investment) in private equity investments; and • up to 20 per cent. of its Net Asset Value (at the time of investment) in other listed investment funds or holding companies which have the majority of their assets in Vietnam. <p>The Company is permitted to borrow money and to grant security over its assets provided that such borrowings do not exceed 25 per cent. of the latest available Net Asset Value at the time of the borrowing, unless the Shareholders in general meeting otherwise determine by Ordinary Resolution.</p> <p>The Company may invest its available cash in the domestic bond market as well as in international bonds issued by Vietnamese entities. The Company may utilise derivatives contracts for hedging purposes when available. The Company will not invest in derivative instruments other than for the purposes of efficient portfolio management.</p> <p>The Company does not intend to take control of any company or entity in which it has directly or indirectly invested (an Investee Company) or to take an active management role in any such company. However, the Investment Manager may appoint one of its directors, employees or other appointees to join the board of the Investee Company and/or may provide certain forms of assistance to such company, subject to prior approval by the Board.</p> <p>Investment restrictions</p> <p>The Company will adhere to the general principle of risk diversification in respect of its investments and will observe the following investment restrictions:</p> <ul style="list-style-type: none"> • the Company will not invest more than 10 per cent. of its Net Asset Value (at the time of investment) in the shares of a single Investee Company; • the Company will not invest more than 30 per cent. of its Net Asset Value (at the time of investment) in any one sector; • the Company will not invest directly in real estate or real estate development projects, but may invest in companies which have a large real estate component, if their shares are listed or traded on the OTC Market; and • the Company will not invest in any closed-end investment fund unless the price of such investment fund is at a discount of at least 10 per cent. to such investment fund's net asset value (at the time of investment). • the Company will not invest in companies known to be involved in manufacturing or trading of distilled alcoholic beverages, tobacco, armaments or in casino operations or other gambling business; • the Company will not invest in companies known to be subject to material violations of Vietnamese laws on labour and employment, including child labour regulations or racial or gender discriminations; and • the Company will not invest in companies that do not commit to reducing in a measurable way pollution and environmental problems caused by its business activities. <p>In addition, under Vietnamese law:</p>

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Element		
		<ul style="list-style-type: none"> foreign investors (such as the Company) as a group are currently restricted from holding in excess of 49 per cent. of the total issued shares of any non-bank public company (either listed or unlisted); foreign investors may only own up to a specific limit of a company in certain sectors expressly open to foreign investment, as stipulated by the Government from time to time, for example, foreign investors can collectively only own up to 30 per cent. of banks. <p>The Company will only change the above investment restrictions with the prior approval of an Ordinary Resolution by Shareholders.</p>
B.35	Borrowing Limits	The Company is permitted to borrow money and to grant security over its assets. Such borrowings are limited to 25 per cent. of the latest available Net Asset Value at the time of the borrowing unless the Shareholders in general meeting otherwise determine by Ordinary Resolution.
B.36	Regulatory Status	The Company is a closed-end investment company that was incorporated in the Cayman Islands on 20 April 2006 as an exempted company with limited liability. The Company is an Alternative Investment Fund for the purposes of the Alternative Investment Fund Managers Directive. The Company has appointed the Investment Manager as its Alternative Investment Fund Manager.
B.37	Typical Investor	Typical investors in the Company are expected to be institutional and sophisticated investors and private clients. An investment in the Company should be regarded as a long term investment. There can be no assurance that the Company's investment objectives will be achieved.
B.38	Investment of more than 20 per cent. in single underlying asset or investment company	Not applicable. No single investment has or will represent more than 20 per cent. of the NAV at the time of investment.
B.39	Investment of more than 40 per cent. in single underlying asset or investment company	Not applicable. No single investment has or will represent more than 40 per cent. of the NAV at the time of investment.
B.40	Service providers	<p><i>Investment Manager</i></p> <p>The Investment Manager is VietNam Holding Asset Management Limited. Under the terms of the Investment Management Agreement, the Investment Manager is responsible for the day-to-day management of the Company's investment portfolio, in accordance with the Company's Investing Policy, objectives and restrictions and subject to the control, direction, review, instructions and supervision of the Board. The Investment Manager actively incorporates ESG considerations into the Company's ownership policies and practices.</p> <p>The Investment Manager may delegate the carrying out of certain functions to qualified third parties, while remaining liable to the Company. In particular, the Investment Manager may delegate to specialised service providers the management of its liquid assets, including interim placements on the international bond markets and the execution of any purchase of shares on markets outside of Vietnam.</p>

Section B—Issuer

Element

Under the Investment Management Agreement, the Investment Manager's appointment may be terminated, inter alia, by either the Company or the Investment Manager giving one years' notice in writing to the other party.

The Investment Manager is entitled to an investment management fee of:

- one twelfth of 2 per cent. per annum on the amount of the Net Asset Value up to and including US\$100 million;
- one twelfth of 1.75 per cent. per annum on the amount of the Net Asset Value above US\$100 million up to and including US\$150 million; and
- one twelfth of 1.50 per cent. per annum on the amount of the Net Asset Value above US\$150 million.

The fee is payable monthly in advance and is calculated by reference to the NAV per Share on the most recent Valuation Day. The Investment Manager is reimbursed by the Company for administrative functions that it performs on behalf of the Company.

The Company also pays to the Investment Manager an incentive fee each year at the rate of 15 per cent. of the annual increase in Net Asset Value over the higher of an annualized hurdle rate of 5 per cent. and a "high water mark" requirement. The Investment Manager's incentive fee may be no greater than 3 per cent. of NAV at the end of the prior financial year. One third of the fee earned is payable to the VNH Foundation, with the balance being payable to the Investment Manager (85 per cent. of which is satisfied in cash and 15 per cent. of which is satisfied by the transfer of treasury shares by the Company). A previously agreed percentage of the fee received (8 per cent.) is distributed to the Board, with the exception of Min Hwa Hu Kupfer.

Custodian

Standard Chartered Bank, Singapore Branch, is entrusted with the safe custody of the assets of the Company. In particular, it carries out all usual duties relating to cash and securities and, in addition, may delegate such duties to sub-custodians. The Custodian will use reasonable care in the selection and appointment of sub-custodians. The applicable sub-custodian who is appointed by the Custodian as at the date of this document and who might be relevant for the purposes of holding the Company's investments is Standard Chartered Bank (Vietnam) Limited. The Custody Agreement may be terminated by the Company or the Custodian upon 90 days' notice.

Custodian fees are charged at a minimum of US\$12,000 per annum and received as a fee of 0.08 per cent. on the assets under administration per annum. Custodian fees comprise safekeeping fees, transaction fees, money transfer fees and other fees. Safekeeping of unlisted securities up to 20 securities is charged at US\$12,000 per annum. Transaction fees, money transfer fees and other fees are charged on a transaction basis.

Administrator

Standard Chartered Bank, Singapore branch acts as the administrator of the Company.

Section B—Issuer

Element											
		<p><i>Depository for the Warrants</i></p> <p>Capita IRG Trustees Limited was appointed as the depository of the Company on 19 May 2015. The Depository is a company incorporated in England and Wales on 26 April 1991 as a private company with registered number 02729260.</p> <p>The Depository is entitled to certain fees including an initial set up fee of £7,500, an annual registration fee of £2 per depository interest holder (subject to a minimum of £8,500), an annual FCA regulatory reporting charge of £500, certain transfer fees and certain additional fees in respect of optional services.</p> <p><i>Registrar</i></p> <p>The Company utilises the services of Capita Registrars (Guernsey) Limited of Mont Crevelt House, Bulwer Avenue, St Sampson, Guernsey GY2 4LH as the Company's registrar. The fees of the Registrar are based on an activity schedule with certain minimum payments agreed by the Company.</p>									
B.41	Regulatory status of investment manager	The Investment Manager operates under the laws of the Cayman Islands and qualifies for excluded person status under section 5(2) and schedule 4 of the Securities Investment Business Law (2011 Revision).									
B.42	Calculation of Net Asset Value	<p>The Company publishes an estimated NAV per Share weekly as soon as practicable after the end of the relevant week through a Regulatory Information Service. The NAV per Share is calculated monthly by the Administrator and is determined by dividing the NAV by the number of Shares issued and outstanding at the calculation time and rounding to three decimal places and published on the Company's website. Unless otherwise determined by the Board, the value of the Company's assets shall be determined in accordance with IFRS.</p> <p>The calculation of the NAV per Share may be suspended in circumstances where, as a result of political, economic or military events, a fair price cannot be calculated for a significant number of assets of the Company, when a stock-exchange is suspended, in the event of a breakdown of the means of communication normally used for valuing any investment, or if, as a result of exchange restrictions, transactions are rendered impracticable.</p>									
B.43	Cross liability	Not applicable. The Company is not an umbrella collective investment undertaking and as such there is no cross liability between classes or investment in another collective investment undertaking.									
B.44	No financial statements have been made up	Not applicable. The Company has commenced operations and historical financial information is included within this document.									
B.45	Portfolio	<p>As at the close of business on 15 May 2015 (being the latest practicable date prior to the publication of this document) the Company's portfolio of investments consisted of investments in 22 Investee Companies, the top 10 investments by value of which were as follows:</p> <table border="1"> <thead> <tr> <th>Investee Company</th> <th>Industrial sector</th> <th>Market Value (US\$'000)</th> </tr> </thead> <tbody> <tr> <td>Traphaco JSC</td> <td>Health Care</td> <td align="right">9,697</td> </tr> <tr> <td>Phu Nhuan Jewelry JSC</td> <td>Retail</td> <td align="right">8,333</td> </tr> </tbody> </table>	Investee Company	Industrial sector	Market Value (US\$'000)	Traphaco JSC	Health Care	9,697	Phu Nhuan Jewelry JSC	Retail	8,333
Investee Company	Industrial sector	Market Value (US\$'000)									
Traphaco JSC	Health Care	9,697									
Phu Nhuan Jewelry JSC	Retail	8,333									

Section B—Issuer

Element				
		Binh Minh Plastics JSC	Construction & Materials	7,575
		Vietnam Container Shipping JSC	Industrial Goods & Services	7,300
		Vietnam Dairy Products JSC	Food & Beverage	7,281
		Hau Giang Pharmaceutical JSC	Health Care	7,105
		Danang Rubber JSC	Automobiles & Parts	7,021
		FPT Corporation	Telecommunications	6,395
		Hung Vuong Corporation	Food & Beverage	5,855
		Thien Long Group Corporation	Retail	5,544
B.46	Net Asset Value	As at 15 May 2015 (being the latest practicable date prior to the publication of this document), the unaudited NAV per Share was US\$1.979.		

Section C – Securities

Element		
C.1	Type and class of securities being offered and/or admitted to trading	The Company intends to issue 19,977,746 Warrants, representing approximately 29.58 per cent. of the issued ordinary share capital of the Company upon the issue of the Warrants. The ISIN of the Warrants is KYG9361X1209 and the SEDOL reference of the Warrants is BXQ9P40.
C.2	Currency of the securities issue	The currency and denomination of the Bonus Issue is US Dollars.
C.3	Number of Shares issued	As at 15 May 2015 (being the latest practicable date prior to the publication of this document) the issued and fully paid share capital of the Company was 67,537,240 Shares (all of which are fully paid up or credited as fully paid up). The Company holds 7,604,001 Shares in treasury. The nominal value of the issued ordinary share capital of the Company is US\$67,537,240 divided into 67,537,240 Shares of 1.00 US\$ each. The Shares have been admitted to trading on AIM since 15 June 2006 and the Company has maintained a secondary quotation on the Entry Standard since 20 October 2008. The ISIN of the Shares is KYG9361X1043 and the SEDOL reference of the Shares is B16GN32.
C.4	Description of the rights attaching to the securities	The Warrants rank equally for voting purposes. On a show of hands every holder who is present in person shall have one vote and on a poll every holder present in person or by proxy shall have one vote for every Share for which he is entitled to subscribe. Shares allotted pursuant to the exercise of subscription rights will not rank for any dividends or other distributions declared, paid or made on the Shares by reference to a record date prior to the relevant Exercise Date but will rank in full for all dividends and other distributions declared, paid or made on the Shares and otherwise will rank pari passu in all other respects with the Shares in issue

Section C – Securities

Element		
		<p>at the relevant Exercise Date.</p> <p>A holder of Warrants shall have rights to subscribe in cash on an Exercise Date for all or any of the Shares for which he or she is entitled to subscribe under such Warrants at the Exercise Price.</p> <p>The Exercise Price is subject to adjustment on the occurrence of certain events, including on any capitalisation of profits or reserves.</p>
C.5	Restrictions on the free transferability of the securities	Not applicable. There are no restrictions on the transferability of the Warrants but there are certain eligibility requirements for exercise.
C.6	Admission	Application will be made for all the Warrants to be admitted to trading on AIM. No application has been, or is currently intended to be, made for the Warrants to be admitted to listing or dealt with on any other exchange.
C.7	Dividend policy	The Board may from time to time declare any such dividends to Shareholders as appropriate. No dividend may be declared or paid other than from funds lawfully available for distribution including share premium. The Company's income from investments will be applied first to pay the fees and other expenses of the Company. The Company's net income (excluding capital gains), if any, may be distributed to Shareholders, subject to retention of sufficient funds to meet anticipated fees and other expenses and subject to the ability to convert Dong income into foreign currency for purposes of paying such dividends. Any dividends unclaimed after a period of six years after having been declared will be forfeited and revert to the Company. No dividend payable by the Company on or in respect of any Share will bear interest against the Company. To date, no dividends have been distributed by the Company.
C.22	Information about the Underlying Share	<p>Each Warrant will confer the right (but not the obligation) to subscribe for one Share upon exercise and upon payment of the Subscription Price. The Shares will be denominated in Dollars. The ISIN of the Shares is KYG9361X1043 and the SEDOL reference is B16GN32.</p> <p>Application will be made to London Stock Exchange for the new Shares resulting from the exercise of the Warrants to be admitted to trading on AIM. Such Shares will rank pari passu with the Shares then in issue (save for any dividends or other distributions declared, made or paid on the Shares by reference to a record date prior to the allotment of the Shares arising on exercise of the Warrants). There are no restrictions on the free transferability of the Shares as a class.</p> <p>The Warrants may be exercised on 1 June 2016, 1 December 2016 and 1 June 2017 after which the Warrants will lapse. The Shares arising on exercise will be allotted not later than 21 days after and with effect from the relevant Exercise Date. To be exercised, a notice of exercise must be received by the Registrar no later than 5.00 p.m. on the relevant Exercise Date.</p>

Section D—Risks

Element		
D.1	Risks that are specific to the Issuer or its industry	<p>The key risk factors affecting the Shares which are known to the Directors are the following:</p> <ul style="list-style-type: none"> • Difficult market or economic conditions in Vietnam could adversely impact the Company’s investment portfolio. Vietnam is both a transitional and developing economy and as such represents a range of risks associated with a rapidly evolving country. • Stock exchanges in Vietnam are relatively recent, may be more conservatively regulated than other regional exchanges and may continue to exhibit limited liquidity. It may as a result be considerably more difficult for the Company to exit its investments in Vietnam than it is for investors in more developed jurisdictions. • Where the Company invests in securities of unlisted companies, there is no guarantee that the Company will be able to realise the fair value of such securities due to the tendency of such companies to have limited liquidity and comparatively high price volatility. Additionally, there may be no reliable price source available. Investments in unlisted companies in Vietnam may require extensive due diligence which may be difficult to achieve. • The general standard of corporate governance practices in Vietnam is below that of more developed countries, both for listed or unlisted companies and corporate governance malpractices remain relatively common. • The NAV per Share is expressed in Dollars while most assets held are denominated in Dong. Fluctuations in exchange rates may have an adverse effect on (i) the Net Asset Value and NAV per Share, and (ii) the value of distributions received by Shareholders in Dollars after conversion of the income and realization proceeds from the Company’s non-Dollar denominated investments. • Vietnam’s legal system contains inconsistencies and gaps in laws and regulations and new laws and changes to existing laws may adversely affect foreign investors.
D.3	Key information on the key risks specific to the securities	<p>The key risks relating to the Shares are:</p> <ul style="list-style-type: none"> • the market price of the Shares is likely to fluctuate and may represent either a discount or premium to the NAV per Share; • it is possible that there may not be a liquid market in the Shares, as market liquidity in the shares of investment trusts is frequently inferior to that of shares issued by larger companies traded on the London Stock Exchange; • the NAV per Share will be diluted if Warrants are exercised at a time when the NAV per Share is greater than the prevailing Exercise Price; and • on each occasion the Warrants are exercised, this may dilute the holdings of Shareholders. <p>All risks relating to the Shares, including those summarised above, will also apply to the Warrants (in so far as they give an entitlement to subscribe for Shares). Other key risks relating to the Warrants are:</p> <ul style="list-style-type: none"> • Warrants represent a geared investment, so a relatively small movement in the market price of the Shares may result in a disproportionately large

Section D—Risks

Element

		<p>movement in the market price of the Warrants;</p> <ul style="list-style-type: none"> • there is no guarantee that the Warrants will have a positive market value, or that the realisable value of the Warrants will reflect their published market price; • in the case of any Warrants which have not been exercised on or before the final date for exercising such rights, such Warrants may cease to have any value; and • market liquidity of the Warrants may be less than the market liquidity of Shares.
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Section E—Offer

Element

E.1	Net proceeds and costs of the Bonus Issue	<p>Although there can be no certainty as to whether any or all of the Warrants will be exercised, if all of the Warrants were exercised prior to the Final Exercise Date, the net proceeds that could arise on such exercise would be approximately US\$39.92 million. The Company's expenses in connection with the Bonus Issue are estimated to amount to approximately US\$500,000 (inclusive of VAT) and will be borne by the Company.</p>
E.2a	Reasons for the Bonus Issue and use of proceeds	<p>The Board and the Investment Manager believe that generally favourable economic conditions in Vietnam will continue to present significant investment opportunities for the Company, which remains committed to its current Investing Policy, over the medium term.</p> <p>As a result, the Board is of the opinion that an increase in the capital of the Company would allow the Investment Manager, on the Company's behalf, to take advantage of such opportunities and will assist in the growth of the Company's investment portfolio.</p> <p>Due to the success of the 2012 Warrant Issue, the Board views the Bonus Issue as a favourable method of increasing the funds available to the Company. The Board believes that the Bonus Issue will have the following advantages:</p> <ul style="list-style-type: none"> • Qualifying Shareholders who confirm their eligibility will receive Warrants which may be exercised at a predetermined price allowing the new Shares received by them to participate in future Net Asset Value growth; • the Warrant Trustee will receive Warrants and, if the net proceeds arising from a sale of the Shares issued on exercise exceed the Exercise Price of the Warrants and the other costs of exercise, will exercise such Warrants on the Final Exercise Date, sell the new Shares issued on exercise, and remit the net proceeds to the Ineligible Shareholders; • on any exercise of Warrants, the capital base of the Company will increase, allowing operating costs to be spread across a larger number of Shares, which should cause the Company's ongoing charges per Share to fall; • following the exercise of any Warrants, the Company will have an increased number of Shares in issue, which may in due course improve the liquidity in the market for the Shares; and

Section E—Offer

Element

		<ul style="list-style-type: none"> the Warrants which will be admitted to trading on AIM, may have a monetary value and may either be traded in a similar fashion to their existing Shares or exercised into new Shares on the relevant Exercise Dates.
E.3	Terms and Conditions of the Bonus Issue	The Bonus Issue is being effected pursuant to the authority granted at an extraordinary general meeting held on 23 April 2015 and is conditional upon Admission becoming effective at 8 a.m. on 5 June 2015 (or such later time and date as the Company and the Investment Manager may agree).
E.4	Material Interests	Not applicable. No interest is material in the Bonus Issue.
E.5	Name of person selling Securities/ lock-up agreements	Not applicable. No person or entity is offering to sell Warrants and/or Shares as part of the Bonus Issue.
E.6	Dilution	<p>Pursuant to the Bonus Issue, one Warrant will be issued for every three Shares held by Shareholders on the Record Date.</p> <p>If a Qualifying Shareholder exercises all of his Warrants before the Final Exercise Date, his percentage interest in the ordinary share capital of the Company as at the Final Exercise Date should not be reduced below his percentage interest in the ordinary share capital of the Company immediately prior to the Bonus Issue.</p> <p>A Qualifying Shareholder's shareholding may, however, be diluted during the period ending on the Final Exercise Date, depending on how many Warrants that Shareholder chooses to exercise on each Exercise Date, and the difference between the Subscription Price and the Net Asset Value per Ordinary Share prevailing at the time the new Ordinary Shares are issued pursuant to each exercise of the Warrants.</p>
E.7	Estimated expenses charged to the investor	Not applicable. There are no direct costs charged to the investor.

RISK FACTORS

The Directors consider the factors set out below to be those which are material at the date of this document. If Shareholders are in doubt as to the consequences of acquiring, holding or disposing of the Warrants or exercising their subscription rights pursuant to the Warrants they should consult an independent financial advisor authorised under the FSMA or, if they are a person outside of the United Kingdom, otherwise duly qualified in your jurisdiction.

The following risks are those material risks relating to the Company, an investment in the Shares and the Warrants and investing in Vietnam of which the Directors are aware. Additional risks which are not currently known to the Directors, or that the Directors currently deem immaterial, may also have an effect on the Company.

Risks relating to AIM

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial advisor.

Warrants

Volatility

The value of a Warrant may go down as well as up. Warrants represent a geared investment, so a relatively small movement in the market price of the Shares may result in a disproportionately large movement, unfavourable or favourable, in the market price of the Warrants. The market price of the Warrants may therefore be volatile.

Movements in the price of Warrants may not be in line with the movement in the price of the Shares. Although the prices of Warrants and Shares are linked, since they share common price factors such as Net Asset Value, the price of a Warrant may not move in line with that of a Share because other factors contributing to their respective prices, for example supply and demand, are not directly related to one another and hence are unlikely to change at the same time and in the same manner. Further, the price of a Warrant is affected by factors that do not affect the price of a Share, such as the remaining duration of the rights attaching to the Warrants.

The Company will apply for the Warrants to be admitted to trading on AIM. The London Stock Exchange has the right to suspend or limit trading in a company's securities. Any suspension or limitation on trading in the Warrants may affect the ability of Shareholders to realise their investment.

The published market price of the Warrants will typically be their mid-market price. Due to the potential difference between the mid-market price of the Warrants and the price at which Warrants can be sold, there is no guarantee that the realisable value of the Warrants will reflect their published market price.

Warrants may expire worthless

In the case of any Warrants whose rights have not been exercised on or before the Final Exercise Date, such Warrants will cease to have any value unless a trustee appointed by the Company determines that the net proceeds of sale of the Shares that would arise on the exercise of such rights after deduction of all the costs and expenses of sale would exceed the costs of exercise of such rights. In such circumstances, the trustee will either exercise all the rights attaching to the Warrants and sell the Shares issued on such exercise in the market, or if it appears to the trustee that doing so is likely to raise greater net proceeds, it may accept any offer available to the Warrant holders for the purchase of the outstanding Warrants. The net proceeds of any such sale (after deducting the costs of exercising the rights attaching to the Warrants, if applicable, and any other costs and expenses incurred in relation to such sale) will be remitted to the Warrant holders unless the amount is less than US\$20.00 in which case such sum shall be retained for the benefit of the Company.

The market value of a Warrant will be determined by market forces, including the NAV and market price of the Shares, and there is no guarantee that the Warrants will have a significant market value.

Liquidity

Although Warrants are tradable securities, market liquidity of the Warrants may be less than the market liquidity of the Shares.

The Warrants, in so far as they give an entitlement to subscribe for Shares, are also affected by the same risk factors as the Shares as set out in this section headed "Risk Factors".

Risks relating to the Company's business and structure

Investment objective and Share price uncertainty

There can be no assurance that the Company will achieve its stated investment objective.

When considering the historical performance of the Company's investments, investors should bear in mind that such historical results are not necessarily indicative of future results and that historical results presented include unrealised values of investments that may not be realised in the future.

The Shares may trade at a discount to the Net Asset Value for a variety of reasons, including market conditions and/or the extent that investors undervalue the Company's investment management activities.

Investment in the Company should not be regarded as short-term in nature. There can be no guarantee that any appreciation in the value of the Company's assets will occur or that the investment objective of the Company will be achieved. Investors may not get back the full amount invested. The price of Shares and the income from Shares may go down as well as up.

No guarantee of return

An investor should be aware that the value of an investment in the Company is subject to normal market fluctuations and other risks inherent in investing in securities. There is no assurance that any appreciation in the value of the Shares will occur or that the investment objectives of the Company will be achieved. The value of investments and the income derived may fall as well as rise, and investors may not recoup the original amount invested in the Company.

Dependence on the Investment Manager

The Company's ability to provide returns to Shareholders and achieve its investment objective is dependent on the performance of the Investment Manager in the identification, acquisition and disposal of investments in Investee Companies. The Investment Manager was formed in 2006 and has since then developed experience as the Investment Manager. Nevertheless, its ongoing performance cannot be guaranteed. Failure by the Investment Manager to identify and manage investments effectively could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company has no employees and is reliant on the Investment Manager, which has significant discretion as to the implementation of the Company's Investing Policy, operating policies and strategies. Various internal control mechanisms exist, such as the requirement of the Board's approval for major investments and divestments, and the externalization of the audit function, which reports to the Chairperson of the Audit Committee.

The Company is subject to the risk that, if the Investment Manager terminated the Investment Management Agreement, no suitable replacement may be found and accordingly, the Company may be left without an appropriate investment manager.

In addition, the Company's performance is dependent in large part on the skills and experience of its Directors and the key staff of the Investment Manager. The departure of any Director or any of these key staff could have an adverse impact on the Company's future performance.

Conflicts of interest

The Investment Manager acts as adviser to CBR Investment AG. Otherwise, the Investment Manager does not currently render services to other companies, nor does it currently intend to establish any other fund that is similar to the Company, but it may do so in the future if it obtains the prior approval of the Board. Affiliates of the Investment Manager may also render asset management services to persons other than the Company.

Conflicts of interest may arise whereby investment opportunities will be available to the Company which are also suitable for any other persons for whom the Investment Manager or one of its affiliates provides services. This may result in the Investment Manager allocating certain investment opportunities to such other clients. This could result in the Company not being able to invest as much as it wanted in attractive investment opportunities and in the Company's assets taking longer than expected to be fully invested, each of which events has the ability to materially and adversely affect the Company's investment returns. It could also result in the Investment Manager failing to devote sufficient resources to the management of the Company's assets.

If a conflict of interest arises, the Investment Manager has undertaken that it will seek to act fairly to allocate investment opportunities as well as its staff and other resources on a fair basis, normally on a pro-rata basis between the Company and the other persons based on the amounts available for investment by the Company and such other persons at such time. The Investment Manager adopted a conflicts of interest policy in 2013 which is in place to assist the Investment Manager in addressing such potential conflicts.

Life of the Company

In 2018, the Board will propose at the Company's annual general meeting an Ordinary Resolution that the Company will continue in existence. If such resolution is passed, the Company will continue its operations and a similar resolution will be put to Shareholders in 2021.

If a continuation resolution is not passed the Board will, at that annual general meeting or at an extraordinary general meeting held within 6 months of that annual general meeting, propose a resolution to wind-up the Company or one or more resolutions to implement a reconstruction, amalgamation or other material alteration to the Company or its activities or any other appropriate alternative based upon current circumstances, as the Board thinks fit. Shareholders should be aware of the possibility that the continuation resolution may not be passed and hence the Company may not continue in its current form.

In either case (and subject to the winding-up provisions in the Company's Articles), Shareholders will only be able to realise their investment prior to a winding up by selling their Shares.

Operating expenses

The Company's annual operating expenses may be higher than those of some other investment companies, primarily because of the additional time and expense required in pursuing the Company's investment objectives. In particular, exercising proper investment due diligence in Vietnam entails additional time and expense in comparison to investing in many other countries or securities because available public information concerning such investments is limited in comparison to, and not as comprehensive as, that available for investments in many other countries or sectors. Accordingly, the Company may in certain cases require the assistance of external consultants, at additional cost.

General taxation risks

Representations in this document concerning the taxation of Shareholders and the Company are based on current law and practice. These are, in principle, subject to change and Shareholders should be aware that such changes may affect the Company's ability to generate returns for Shareholders

and/or the taxation of such returns to Shareholders. **If you are in any doubt as to your tax position you should consult an appropriate independent professional adviser.**

Any change in the taxation legislation or taxation regime applicable to the Company could affect the value of the investments held by the Company, affect the Company's ability to provide returns to Shareholders or alter the post-tax returns to Shareholders.

Risks relating to investing in companies in Vietnam

Market and economic conditions

Difficult market or economic conditions in Vietnam could adversely impact the Company's investment portfolio. Vietnam is both a transitional and developing economy, with approximately a decade's experience of stock market activity, and as such, contains a range of risks associated with a rapidly evolving country. In addition, many of the sectors in which the Company has existing investments and plans to make future investments are subject to various risks, including increasing market competition as previous barriers to entry are gradually removed and the 'playing field' for business is levelled.

Restrictions on foreign investments

Foreign investors face a number of legal restrictions which may affect the ability of the Company to implement its investments in Vietnam.

Foreign investors may in principle purchase up to 100 per cent. of the equity in a Vietnamese company subject to certain restrictions, including, without limitation, those applicable to:

- *Regulated Sectors:* foreign investment in regulated sectors is governed by the laws applicable to such sectors. In the financial sector, for example, foreign investors can collectively only own up to 30 per cent. of Vietnamese commercial banks. In addition, foreign ownership limitations in Vietnamese companies in some of the services sectors are as provided in international treaties to which Vietnam is a party, including the WTO; and
- *Public Companies Sector:* foreign ownership in all Vietnamese public companies¹ is limited to 49 per cent. of the company's share capital.

These restrictions may make it more difficult for the Company to make the investments that it wishes to make. If a company subject to such restrictions has issued its full quota of shares to foreign investors then the Company will either be unable to make the investment or it may have to pay a premium to another foreign investor in order to acquire shares without breaching the relevant limits. Both of these implications may have a material adverse effect on the Company's investment returns.

Investments in listed companies

The HoSE started operations in July 2000 and the HNX was upgraded from a 'stock transaction centre' to full stock exchange status in June 2009. While the HoSE in Ho Chi Minh City is the premier stock market for Vietnam, hosting most larger companies, Ha Noi's HNX hosts companies that fall below the minimum chartered capital requirement of HoSE and serves as the country's bond market.

Stock exchanges in Vietnam are relatively recent, may thus be more conservatively regulated than other regional exchanges and continue to exhibit limited liquidity. It may as a result be considerably more difficult for the Company to exit its investments in Vietnam than it is for investors in more

¹Under Vietnam's Securities Law, 'a public company is a joint stock company falling within any of the following three categories: (a) a company whose securities have been offered to the public; (b) a company whose securities have been listed in a stock exchange or securities trading centre; (c) a company whose securities are owned by at least 100 investors, excluding professional securities investors and whose contributed charter capital is VND10 billion (approximately US\$539,000) or more' while 'public offering of securities means an offering of securities according to one of the following methods: (a) via the mass media, including Internet; (b) offering of securities to 100 investors or more, excluding professional securities investors; (c) offering to an unspecified number of investors'. Professional securities investors include commercial banks, finance companies, finance leasing companies, insurance companies and securities trading organizations.

developed jurisdictions and the Company may have to resell its investments in privately negotiated transactions.

Share price changes are subject to daily limits, currently set at 7 per cent. and 10 per cent. in either direction on the HoSE and HNX, respectively, although this trading band may expand or contract over time.

Investments in unlisted companies

The Company may invest in unlisted companies and while such investments may offer the opportunity for significant capital gains, they also involve a high degree of business and financial risk. Generally, there is no guarantee that the Company will be able to realise the fair value of such securities due to the tendency of such companies to have limited liquidity and comparatively high price volatility. Additionally, there may be no reliable price source available. Even though most brokers publish daily prices for a large number of companies traded on the OTC Market, estimates of fair market value of such investments are more difficult to establish than for listed companies and are the subject of some uncertainty. Furthermore, companies whose securities are traded on the OTC Market may not be subject to the disclosure and other legal requirements that would otherwise be applicable if their securities were traded on a public exchange.

Many unlisted companies in Vietnam trade on the informal OTC Market, which acts as an intermediary for the trading of shares of joint stock companies that are not listed on the Vietnam Stock Exchanges. Transactions on this over-the-counter market are negotiated and agreed upon directly between buyers and sellers, often with the involvement of facilitating broker-dealers or other intermediaries. The Investment Manager has in the past been able to work with reputable securities companies thus reducing the counterparty and settlement risks. However, these settlement and counterparty risks are likely to remain in the future.

As the Company is regarded as a foreign investor under Vietnamese law, the Company's investments in unlisted companies will be subject to foreign ownership restrictions, as indicated above. The Company may therefore be limited in the percentage ownership of a company that it could acquire and the management participation that will be allowed without triggering the need for discretionary government evaluation and approval of an investment. These limitations may have an adverse effect on the proposed activities and projected performance of the Company or may increase the Company's costs and delay its investments.

The Company's investments in unlisted companies may be difficult to value and there may be little or no protection for the value of such investments. If a listing on a stock exchange is not possible, investments in unlisted companies may have to be held for an appreciable period of time. Selling the securities in unlisted companies which fail to obtain a listing may not be possible and, if possible, may only be possible at prices below their original cost and/or at substantial discounts to the Investment Manager's perception of their market value.

As Vietnam remains a developing country, the Company's investments in unlisted companies in Vietnam may require extensive due diligence. However, good due diligence may be difficult to achieve, especially in the context of investments in former SOEs either because the Company may buy shares during an auction process that allows only limited due diligence or because the records of the former SOEs are imperfect and the information is not available.

As the Company will be a minority shareholder in any unlisted companies in which it invests, the Company will endeavour in appropriate situations to obtain suitable shareholder protection by way of a shareholders' agreement and/or board representation, where available. However, the Company may not succeed in obtaining such protection and even where the Company obtains such shareholders' agreement or board representation, they may confer limited protection for the Company.

Trading shares in unlisted companies is subject to potentially greater counterparty and settlement risks given the limited regulatory oversight. While such risks may be mitigated by the diligence and experience of the Investment Manager, they may not be entirely excluded.

Limited liquidity

It may be considerably more difficult for the Company to invest in or exit its investments in Vietnam than it is for investors in more developed jurisdictions.

In particular, the Company will seek to realise its investments in unlisted companies through listings on the Vietnam Stock Exchanges. However, there is no guarantee that the Vietnam Stock Exchanges will provide liquidity for the Company's investments in unlisted companies. The HoSE only commenced operations in July 2000 and continues to exhibit limited liquidity at times.

The Company may have to resell such investments in unlisted companies in privately negotiated transactions and the prices realised from these sales could be less than those originally paid by the Company or less than what may be considered to be the fair value or actual market value of such securities. In view of this, the Company's investments in unlisted companies will generally be long-term in nature and may have to be held for many years from the date of initial investment before realization.

Investments in equitised SOEs

By definition, equitised SOEs, whether they are listed companies or unlisted companies, will have been SOEs until a point in time that may be shortly before the Company invested in them. The management of any given equitised SOE may have one or more potential problems, such as difficulties adjusting to the private sector; following international standard corporate governance practices; being transparent and appointing appropriately qualified officers and directors; or employing and retaining qualified staff.

Equitised SOEs may continue to be majority-owned by the Vietnamese State and may continue to respond to State interests rather than the interests of all shareholders.

Equitised SOEs may in some cases inherit business legacies from their former status, such as excessive workforces.

Furthermore, due to the weak legal infrastructure in Vietnam, investors face a risk of fraud by equitised SOEs. For instance, it is possible that equitised SOEs will misrepresent their financial position or the status of their business, use the investment capital provided by the Company in unauthorised ways, embezzle money or fraudulently transfer assets, or otherwise not honour their obligations to shareholders.

Limits on disposals

If an unlisted company does not obtain a listing on a Vietnam Stock Exchange or other exchange and a trade or other negotiated sale becomes necessary in order for the Company to exit its position, other shareholders in such unlisted company may have a right of first refusal upon such sale. The ability of the Company to dispose of an investment and the timing and terms of any such disposal may in certain instances be limited or affected by such right of first refusal.

Transfer and settlement risk

The trading and settlement practices of Vietnam's stock exchanges may not be the same as those in more established markets, which may increase settlement risk and/or result in delays in realizing investments in listed companies made by the Company. The Company may also be exposed to the credit risk of a counterparty on an unsecured basis and the risk of settlement default. Consequently, there can be no assurance that the Company would recover any of the amounts owed to the Company by the defaulting counterparty.

The collection, transfer and deposit of securities and cash expose the Company to a number of risks including theft, loss, fraud, destruction and delay. This is particularly the case for securities traded on the OTC Market.

Vietnamese transfer and settlement procedures have been improved significantly since the enactment of Vietnam's Securities Law (which came into effect on 1 January 2007) and its guiding documents. However, procedures for registration of ownership of unlisted securities may be unreliable and time consuming. Substantial delay or failure to complete a transaction may result in the partial or complete loss of an investment. There is also a risk that the counterparty will not complete the transaction. Substantial delay or failure to complete a transaction may result in the partial or complete loss of an investment or the inability to exit investments on terms or at a time acceptable to the Company.

Corporate Governance practices in Vietnam

The general standard of corporate governance practices in Vietnam is below that of more developed countries, both for listed or unlisted companies. Corporate governance standards are gradually improving in Vietnam, as a result of the growing presence of institutional investors; a realization by some Investee Companies of the gains to be derived from implementing higher corporate governance standards; and an improved regulatory regime. Nonetheless, corporate governance malpractices remain common.

Other risks relating to investing in companies in Vietnam

Investee Companies and, in particular, equitised SOEs, whether they are listed companies or unlisted companies, will face a number of risks which could cause them to under-perform significantly or even result in their bankruptcy. The Directors believe that the risks set out below are material risks at the present time:

- risk of insufficient financing or access to capital;
- lack of customer diversification and understanding of the product market;
- a tendency by some companies and, particularly, larger SOEs, to invest aggressively in a diverse range of sectors outside of their core competencies;
- a tendency by some companies to speculate on raw materials prices, resulting in excessive inventory risk, inefficient use of working capital and risk of disruption to production operations;
- risk of fraud perpetrated against Investee Companies by its officers or by third parties, which may be compounded by their own internal control weaknesses;
- a failure to analyse and anticipate industry trends particularly in overseas markets where the knowledge base remains limited;
- insufficient depth of experience in the senior and middle management team, difficulty in recruiting capable managers and overstaffing;
- a similar lack of experience and candidates at the company board level; and
- changes in competitiveness due to changes in relative exchange rates.

Limited investment opportunities

An increasing number of companies, institutions and investors, both Vietnamese and foreign, are active in seeking investments in Vietnam. As a result, competition for a limited number of attractive investment opportunities may lead to a delay in the pace of investment activity and/or may increase the price at which investments may be made and thereby reduce the Company's potential profits in relation to such investments.

Market forces

Competition in business in Vietnam has been increasing, largely as a result of the country's increasing globalization and domestic market opening. As this is likely to continue, the Company's investments in

export-oriented industries, for example, may be affected by changes in trade regimes or by protectionist measures in foreign countries.

As a result of such changes, and other market forces, the Company's investments could suffer substantial declines in value at any stage.

Exchange rates

The NAV per Share is expressed in Dollars while most assets held are denominated in Dong.

In addition, Shareholders' investments in the Company are made in Dollars and the Company converts such Dollars into Dong (or in the context of an investment outside Vietnam, into another foreign currency) prior to making investments. It must convert Dong (or such other currency) back to Dollars prior to distributing any income and realization proceeds from such investments.

There can be no assurance that fluctuations in exchange rates will not have an adverse effect on (i) the Net Asset Value and NAV per Share, or (ii) the value of distributions received by Shareholders in Dollars after conversion of the income and realization proceeds from the Company's non-Dollar denominated investments.

In recent years, the Dong has depreciated against the Dollar. It is possible that the Dong will depreciate further in the future.

The Company may seek to hedge against a decline in the value of the Company's investments resulting from currency depreciation but only if and when suitable hedging instruments are available on a timely basis and on acceptable terms. There is no assurance that any hedging transactions engaged in by the Company will be successful in protecting against currency depreciation or that the Company will have opportunities to hedge on commercially acceptable terms.

Currency conversion

The Vietnamese government does not guarantee that hard currency will be available to the Company or that it will receive any priority if there is a shortage. There have been brief periods in the past when Dollars have been in relatively short supply in Vietnam.

Foreign investors can convert income and realization proceeds into hard currency and remit them overseas upon the fulfilment of all tax obligations in accordance with Vietnamese law. However, the relevant regulation only contains broad statements of principle regarding such remittances and problems have sometimes arisen in practice in effecting remittances. This may include the need to obtain a special approval, and such approval may not be received quickly or at all. Any delay in conversion increases the Company's exposure to depreciation of the Dong against other currencies. If conversion is not effected at all, some of the Company's assets may be denominated in a non-convertible currency.

Follow-on investments at less favourable terms

Once the Company has made an investment in an Investee Company, it may consider that, in order to protect its original investment, it should make a further investment in that Investee Company, for example if the Investee Company becomes distressed. Such follow-on investment may be on terms that are less favourable than would be available in respect of an investment that is not distressed and therefore the Company's returns in respect of that follow-on investment may be lower than it would otherwise seek.

Alternately, the Investee Company could proceed to make a new rights issue, thereby possibly diluting the Company's shareholding if the Company does not have or exercise pre-emption rights.

Market values of Investee Companies

The Company's portfolio of investments includes Vietnamese companies whose securities are publicly traded. These may be volatile and are likely to fluctuate due to a number of factors beyond the

Company's control, including actual and anticipated fluctuations in the quarterly and annual results of Investee Companies and of other companies operating in the same industries; market perceptions concerning the availability of additional securities for sale; general economic, social and/or political developments; changes in industry conditions; shortfalls in operating results from levels forecast by securities analysts; the general state of the securities markets; and other material events, such as significant management changes, refinancings, acquisitions and disposals. Changes in the values of these investments may adversely affect the Net Asset Value and cause the market price of the Shares to fluctuate accordingly.

Significant volatility has been experienced at the HoSE. Short selling and securities lending is not permitted under current Vietnamese regulations, and accordingly, the Company has significant exposure to this market volatility.

The Vietnamese securities markets are still in the early stages of development and generally lack the levels of transparency, efficiency and regulation characteristic of more developed markets. Regulation of insider dealing has not yet reached the standards of more developed markets, nor, in certain cases, is there a system of safeguards designed to prevent its occurrence. Government supervision of securities markets, investment intermediaries, and quoted companies is not at the level of more developed markets. Many regulations are unclear in their scope and effect, and there is a greater risk than in more developed economies that activities conducted in good faith on the basis of professional advice will subsequently be regarded as not in compliance with fiscal, currency control, securities, corporate or other regulatory requirements.

Third party interests

The Company has no control over the operations of most of its Investee Companies. Although the Investment Manager is responsible for monitoring the performance of each investment and intends to invest in companies operated by management that it considers to be capable, there can be no assurance that any such management team or any successor will be able to operate the Investee Company in accordance with their business plans or the expectation of the Company. Those investments will be subject to the risk that the Investee Company may make business, financial or management decisions with which the Company does not agree, or that the majority stakeholders or the management of the Investee Company may take risks or otherwise act in a manner that does not serve the Company's interests. Such investments will also be subject to the risk of material losses due to fraud or other unauthorised or illegal activity. If any of the foregoing were to occur, the value of the Company's investments could decrease, which could reduce the value of the Shares and/or Net Asset Value. In addition, the Company may not have the same access to information regarding Investee Companies as majority investors in those companies. Accordingly, the Company may not be able to realise some or all of the benefits that might otherwise be associated with such investments.

Risk management policies and procedures

The Company's policies, procedures and practices used to identify, monitor and control a variety of risks may fail to be effective. As a result, the Company faces the risk of losses, including losses resulting from human errors, market movement and fraud.

The Company regularly reviews its risk management policies and procedures and an annual review is conducted by the Directors with a view to minimizing such risks.

Custody risk and absence of insurance

The Company faces a risk of loss of assets arising from insolvency of the Custodian, the Vietnamese Sub-Custodian or any other sub-custodian appointed by it, or improper conduct on the part of the Custodian and Vietnamese Sub-Custodian or their officers and employees, or other any sub-custodian appointed by it. The assets of the Company are not insured by any government or private insurer and in the event of insolvency of a custodian or sub-custodian, the Company may be unable to recover all of its funds or the value of the securities in safe custody.

General economic, political and market risks

Credit risk

The default of an issuer of securities or of a counterparty may result in losses for the Company. The risk of default (or issuer risk) is the risk of the other party to a reciprocal contract failing, in whole or in part, to fulfil its obligation with respect to a claim. This applies to all contracts that are entered into for the account of the Company. Default resulting from the bankruptcy or insolvency of a counterparty may result in the Company having limited recourse under bankruptcy or other relevant laws, experiencing delays in liquidating its position and, possibly, significant losses, including the costs of enforcing the Company's rights against the counterparty.

Vietnamese bankruptcy laws are not easily implemented and bankruptcy proceedings can be far more time-consuming than in other jurisdictions and often yield a very low recovery rate. To be declared bankrupt, an enterprise or its creditors must have sufficient grounds to prove its insolvency and bankruptcy. Assuming that the judge accepts there to be sufficient grounds to proceed with a bankruptcy hearing, the two-tiered bankruptcy procedure for resolving business bankruptcy matters will apply. The first tier is the adjudication phase. If during the adjudication phase it is found that it is not possible to restructure the business of the enterprise, the bankruptcy process then moves to the assets realization phase. Bankruptcy proceedings in relation to a company that the Company has invested in may therefore be pending for a long time before the Company may recover any of its capital. As a result, the Company may have limited recourse in realizing its investment in the event a company in which it invests in becomes insolvent.

Political risks

The value of the Company's assets and of an investment in the Company may be adversely affected by any future changes in the Vietnamese government, government personnel or policies, which may include, among other things, changes in economic policy, business laws and regulations, taxation, investment laws and regulations, valuations and divestment methods for SOE divestments, securities regulations and foreign currency conversion or repatriation regulations.

While Vietnam has implemented many reforms which have improved the overall framework for investors and companies in which they invest, there is no guarantee that the reform momentum will persist or that it will continue at any particular pace.

Legal system

The laws and regulations affecting the Vietnamese economy are in an early stage of development and are less well-established than those in Europe or the United States.

Although the legal system in Vietnam is improving, there can be no assurance that the Company will be able to obtain effective enforcement of its rights by legal proceedings in Vietnam, nor is there any assurance that improvements will continue. In addition, the process of legal reform does not always coincide with market developments, resulting in ambiguities and anomalies, and ultimately, increased investment risk.

As Vietnam's legal system develops, there are inconsistencies and gaps in laws and regulations, new laws and changes to existing laws may adversely affect foreign investors, the administration of laws and regulations by government agencies may be subject to considerable discretion, and in many areas the legal framework is vague, contradictory and subject to interpretation.

Furthermore, the judicial system may not be reliable or objective and the ability to enforce acknowledged legal rights is often lacking. By way of example only, the Company may have difficulty exercising conversion rights, voting rights, dividend rights, or restrictive covenants and may have limited recourse to remedy the problem.

The Company's right of ownership or title to an asset or security may be disputed due to, *inter alia*, a poor system for registration of ownership or as a result of vague and conflicting laws. Some Investee Companies may even attempt to use the vague and conflicting legal infrastructure as an excuse for

not honouring their commitments to the Company. There is not the same degree of certainty as investors would expect if they invested in a more developed jurisdiction.

The Company and the Investment Manager are subject to the laws and regulations enacted by national, regional and local governments, and may be required to comply with certain licensing and regulatory requirements that are applicable to an investment fund investing in Vietnam, including laws and regulations administered by the State Securities Commission of Vietnam. Compliance with and monitoring of applicable laws and regulations may be difficult, time consuming and costly. Those laws and regulations and their interpretation and application may also change from time to time and those changes, or a failure to comply with such laws or regulations as interpreted and applied, could have an adverse effect on the Company's business, investments and results of operations, and, accordingly, its Net Asset Value.

The Vietnamese government has passed regulations that require certain foreign investment funds investing in Vietnam either to delegate the management of their investments to a domestic fund management company or to establish a branch in Vietnam to manage those investments itself. It is not yet clear if the branch in Vietnam of a foreign fund management company can be considered a domestic fund management company for these purposes and it may be a considerable time before the authorities provide full clarification on this issue. If the Investment Manager cannot set up branch offices in Vietnam in a timely manner or if these branch offices do not qualify as domestic fund management companies, it is possible that the Company may either have to terminate the Investment Management Agreement and appoint another entity to manage its investments, or else the Company itself may have to establish a branch in Vietnam. If the Company were to establish a branch in Vietnam to manage its investments, it may become subject to additional taxation obligations in Vietnam, which would reduce its overall profits and therefore adversely affect the Net Asset Value and the price of the Shares.

The Vietnamese tax regulations are currently under development. There are many areas where detailed regulations do not currently exist and where there is a lack of clarity.

Tax fraud by companies is common, while the implementation of tax regulations can vary depending on the tax authority involved. The Company may also encounter changes in the tax regulations and administration that adversely impact on its future performance.

Additionally, there are various tax implications associated with ownership of the Shares which may vary depending on the individual circumstances of the Shareholder.

European regulatory risks

The AIFMD seeks to regulate alternative investment fund managers and impose obligations on managers who (*inter alia*) market shares within the EEA. In order to obtain authorisation under the AIFMD, an AIFM would need to comply with various organisational, operational and transparency obligations, which may create significant additional compliance costs, some of which may be passed to investors in the AIF. Pursuant to the AIFMD, the Company is classified as a non-EEA AIF with the Investment Manager as its non-EEA AIFM. However, following national transposition of the AIFMD in a given EEA Member State, the marketing of shares in AIFs that are established outside the EEA (such as the Company) to investors in that EEA Member State is prohibited unless certain conditions are met. Certain of these conditions are outside the Company's control as they are dependent on the regulators of the relevant third country (in this case the Cayman Islands) and the relevant EEA Member State entering into regulatory co-operation agreements with one another.

The Company cannot guarantee that such conditions will be satisfied. In cases where the conditions are not satisfied, the ability of the Company to market its Shares or raise further equity capital in the EEA is limited or may be removed. Any regulatory changes arising from implementation of the AIFMD (or otherwise) that limit the Company's ability to market future issues of its Shares may materially adversely affect the Company's ability to carry out its investment policy successfully and to achieve its investment objective, which in turn may adversely affect the Company's business, financial condition, results of operations, NAV and/or the market price of the Ordinary Shares.

Since 1 January 2014, the FCA's financial promotion rules under COBS 4.12 of the FCA Handbook of Rules and Guidance (**NMPI Rules**) restrict the ability of financial intermediaries, such as independent financial advisers, to promote unregulated collective investment schemes and products that are close substitutes (collectively known as non-mainstream pooled investments or **NMPIs**) to certain retail investors. The effect of the marketing restriction and applicable exemptions is to ban the marketing of NMPIs to ordinary retail investors, who are deemed by the FCA incapable of understanding the risks associated with such products. The restriction does not apply to other types of customer (such as, professional clients or eligible counterparties) or to sophisticated or high net worth retail investors. Whilst this requirement should not affect the implementation of the Bonus Issue, the Company may not be able to satisfy an exemption from the NMPI Rules which would affect its ability to raise further capital from ordinary retail investors in the UK in the future.

Recognition of foreign arbitration awards and their enforcement

Given the lack of legal support for recognizing foreign court judgments in Vietnam, parties often select foreign arbitration as the method of dispute resolution.

While there is a legal basis for the recognition and enforcement of foreign arbitration awards in Vietnam in respect of certain types of contracts, there have only been a small number of cases where a Vietnamese court has recognised and enforced such an award and the Company cannot rely on arbitration provisions to guarantee adequate and timely compensation in the case of contractual disputes.

Accounting, auditing and financial reporting standards

Vietnam's accounting, auditing and financial reporting standards, practices and disclosure requirements differ from those in more developed countries. Less information may therefore be available to the Company than in respect of investments in more developed countries, greater reliance may be placed by the auditors on representations made by managers of a company, and there may be less independent verification of information than would apply in more developed countries. The valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may also be treated differently from the manner in which they would be treated under international accounting standards. While the Company seeks to encourage the adoption by the companies in which it invests of international accounting standards and practices and, in terms of unlisted companies, the use of a major international firm of accountants to audit the relevant financial statements prior to an investment being made, there can be no assurance that the companies will do so.

Listed companies are all required to have audited financial statements in conformity with Vietnamese Accounting Standards.

Red tape and corruption

The legal and regulatory regime for businesses in Vietnam is complex, while its enforcement can be opaque, time-consuming and subject to arbitrary decision-making by government officials. Such an environment can result in corrupt practices, as companies and individuals may seek to expedite and/or influence decision-making through the provision of financial or other incentives, while officials may abuse their position for rent-seeking purposes. The calibre of business regulation and administration also tends to differ across Vietnam's 64 provinces and municipalities.

These factors may result in delays for the Company in making investments or in realising investments and could, in some circumstances, prevent such investments or divestments from taking place. This could materially and adversely affect the Company's investment returns.

Inflation risk

All the assets of the Company are subject to devaluation through inflation caused by political, economic or geographic instability or otherwise. Inflation has caused concern in Vietnam over the years, increasing from 8.3 per cent. in 2007 to 23.1 per cent. in 2008, before falling and then peaking

again at 23 per cent. in August 2011. Since then, it has steadily fallen to under 5 per cent. for 2014 and less than 1 per cent. on a monthly basis in recent months.

Absence of an active secondary market

Although the Shares are admitted to trading on AIM and the Entry Standard, an active secondary market in the Shares has not developed and may not develop even if all of the Warrants are exercised.

Market value of Shares

The market value of, and the income derived from, the Shares can fluctuate. Investors may not receive back the full value of their investment.

The market value of the Shares, as well as being affected by the NAV per Share, also takes into account the relevant dividend yield and prevailing interest rates. As such, the market value of a Share may vary considerably from the NAV per Share.

In addition, Shareholders may not be able to realise their investment other than through the market, subject to the Company's winding-up provisions and Share repurchase and redemption provisions.

Limited regulatory control

Shareholders do not enjoy any protections or rights other than those reflected in the Articles and those rights conferred by law and as a result of the admission of the Shares to trading on AIM and the Entry Standard.

The Directors recognise the importance of sound corporate governance and to this end, the Company and the Investment Manager have adopted a "Code of Ethics" signed annually by each member of the Board and by each director and staff member of the Investment Manager.

Tax residency

As the Company is not incorporated in the UK, it will not be treated as being resident in the UK for UK corporation tax purposes unless its central management and control is exercised in the UK. The Directors have sought, and will continue to seek, to conduct their affairs so that the Company is not treated as being resident in the UK for UK corporation tax purposes. There can be no guarantee that HMRC, or the taxation authorities of any other jurisdiction, will not seek to determine that the Company is so tax resident in the UK or other jurisdiction. A change in its residency may have an adverse effect on the Company's results, financial condition and prospects. The Company and the Directors also conduct their affairs so that the Company is not deemed to have a permanent establishment in Vietnam. However, due to tax regulatory uncertainties, if the Company is deemed to carry out investment through a permanent establishment in Vietnam, or as otherwise being engaged in a trade or business in Vietnam, income attributable to or effectively connected with such permanent establishment or trade or business may be subject to additional tax obligations.

United States tax withholding and reporting under the Foreign Account Tax Compliance Act (FATCA)

The United States Hiring Incentives to Restore Employment Act (the **HIRE Act**) has created a new information reporting and withholding regime referred to as the Foreign Account Tax Compliance Act (**FATCA**).

The Cayman Islands has signed a Model 1(b) (non-reciprocal) inter-governmental agreement with the United States (the **US IGA**) to give effect to FATCA. Pursuant to the US IGA, the Cayman Islands government has implemented the Tax Information Authority (International Tax Compliance) (United States of America) Regulations, 2014 pursuant to the Tax Information Authority Law (as revised) (the **Cayman Regulations**) to give local effect to the US IGA and FATCA and gradually phase in the information that must be disclosed by the Company pursuant to FATCA. Cayman Islands financial institutions (**Fis**) that comply with the Cayman Regulations will be treated as satisfying the due

diligence and reporting requirements of FATCA and accordingly will be treated as participating foreign financial institutions (**Participating FFIs**) for the purposes of FATCA. As such, those Fis will be “deemed compliant” with the requirements of FATCA, will not be subject to withholding tax, and will not be required to close recalcitrant accounts.

The US IGA and the Cayman Regulations categorize Fis as either “Reporting Fis” or “Non-Reporting Fis”. By default, all Cayman Fis will be Reporting Fis, unless they qualify as Non-Reporting Fis. The categories of Non-Reporting Fis are specified in the Cayman Regulations. A Reporting FI, such as the Company, is (i) not required to enter an “FFI agreement” with the US Internal Revenue Service (**IRS**), (ii) required to register with the IRS to obtain a Global Intermediary Identification Number, (iii) required to conduct due diligence on its investors to identify whether accounts are held directly or indirectly by “Specified US Persons”, and (iv) required to report information on such Specified US Persons to the Cayman Islands Tax Information Authority (the **Cayman TIA**). The Cayman TIA will exchange the information reported to it with the IRS annually on an automatic basis.

Under the terms of the US IGA and the Cayman Regulations, FATCA withholding tax will not be imposed on payments made to the Company, or on payments made by the Company to an account holder, except to the extent the Company, its investors or any other account holder fails to comply with its obligations under FATCA, the US IGA or the Cayman Regulations, or otherwise fails to comply with any other obligations it may have to the Company with respect to the Company’s obligations under FATCA and/or the US IGA and/or the Cayman Regulations, as applicable. If subject to, or required to, withhold, such FATCA withholding tax will generally be at the rate of thirty per cent. (30%) of the relevant payment.

Shareholders may be required to provide certain information to the Company in order to enable the Company to comply with its FATCA obligations in accordance with the Articles. If a Shareholder fails to provide the required information within the prescribed period, the Board may treat that Shareholder as a Non-Qualified Holder and require the relevant Shareholder to sell its Shares in the Company. The relevant provisions in the Articles will also apply should other jurisdictions introduce similar provision to FATCA.

Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of this withholding tax, no assurance can be given that it will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of FATCA, the return on investment of some or all holders of Shares may be materially adversely affected. The Company may require such a shareholder to transfer its Shares to another person in accordance with the Articles or take any other steps that the Board deems appropriate to mitigate the consequences of such failure on the Company and the other shareholders of the Company. The Directors may compel the withdrawal from the Company of shareholders who do not provide the Company with information necessary to satisfy its obligations under FATCA. Shareholders are encouraged to consult with their own tax advisors regarding the possible implications of FATCA on their investments in the Company.

Potential investors should consult their advisors regarding the application of the withholding rules and the information that may be required to be provided and disclosed to the Company pursuant to FATCA and the Cayman Regulations. If prospective investors are in any doubt as to the consequences of their acquiring, holding or disposing of Shares and / or Warrants, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

UK-Cayman Islands Intergovernmental Agreement.

On 5 November 2013 the Cayman Islands government signed an intergovernmental agreement with the UK (**UK IGA**) under which certain disclosure requirements will be imposed in respect of certain investors in the Company who are resident in the United Kingdom. Pursuant to the UK IGA, the Cayman Islands government has implemented the Tax Information Authority (International Tax Compliance) (United Kingdom) Regulations, 2014 (the **UK-Cayman Regulations**) pursuant to the Tax Information Authority Law (as revised) to give local effect to the UK IGA which will necessitate the Company reporting information on UK resident shareholders to the Cayman TIA.

Potential investors should consult their advisors regarding the application of the withholding rules and the information that may be required to be provided and disclosed to the Company pursuant to FATCA and the UK-Cayman Regulations.

Future issues of Shares, dilution and price

The Company may choose to raise capital in the longer term through the issuance of additional shares in order to finance new investments. The Company may also issue additional shares, or debt securities, or other securities convertible into or exchangeable for shares, or rights to acquire these securities, for other purposes. The issuance of such additional shares or securities could reduce the percentage ownership of the Company's existing Shareholders. Future issuances of such shares or securities by the Company and future sales of substantial amounts of shares by Shareholders may adversely affect the market price of the Shares. Such sales could also make it more difficult for the Company to issue new shares in the future at a date and price that the Company feels is appropriate.

The foregoing factors are not exhaustive and do not purport to be a complete explanation of all the risks and significant considerations involved in investing in the Company. Accordingly and as noted above, additional risks and uncertainties not presently known to the Directors, or that the Directors currently deem immaterial, may also have an adverse effect on the Company's business.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of Prospectus	19 May 2015
Record Date for the Bonus Issue	20 May 2015
Latest time for lodging Eligibility Form or Electronic Certification	11.00 a.m. on 3 June 2015
Admission of the Warrants to AIM, delivery of Depositary Interests representing Warrants into CREST and dealings in the Warrants commence	5 June 2015
Warrant Certificates issued in respect of the Warrants	By 19 June 2015
Exercise Dates for the Warrants	1 June 2016, 1 December 2016 and 1 June 2017

Notes:

- (1) The times and dates set out above and mentioned throughout this document may be adjusted by the Company, in which event details of the new times and dates will be notified, as required, to the London Stock Exchange, and, where appropriate, to Shareholders.
- (2) All references to time in this document are reference to London time.

DEALING CODES

The dealing codes for the Warrants will be as follows:

ISIN	KYG9361X1209
SEDOL	BXQ9P40
TIDM	VNHW

The dealing codes for the Shares issued upon exercise of the Warrants will be as follows:

ISIN	KYG9361X1043
SEDOL	B16GN32
TIDM	VNH

IMPORTANT NOTICES

In assessing an investment in the Company, investors should rely only on the information in this document. No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Directors, the Investment Manager or any other person. Neither the delivery of this document nor the exercise of any rights attaching to the Bonus Issue pursuant to this document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this document.

Regulatory information

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, Shares or Warrants in any jurisdiction in which such offer or solicitation is unlawful. Issue or circulation of this document may be prohibited in some countries.

Shareholders should consider carefully (to the extent relevant to them) the information set out on pages 40 - 41 and 166 to 172 of this document relating to various jurisdictions.

Investment considerations

The contents of this document are not to be construed as advice relating to legal, financial, taxation, investment or any other matters. Prospective investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of Warrants or Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Warrants or Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of Warrants or Shares. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

Typical investors in the Company are expected to be institutional and sophisticated investors and private clients. An investment in the Company should be regarded as a long term investment. There can be no assurance that the Company's investment objectives will be achieved.

This document should be read in its entirety. All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Articles, which investors should review.

Forward-looking statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts.

All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or will be important factors that could cause the Company's actual results to differ materially from those indicated in these statements. These factors include but are not limited to those described in the part of this document entitled "Risk Factors", which should be read in conjunction with the other cautionary statements that are included in this document. Any forward-looking statements in this document reflect the Company's current views with respect to future events and are subject to these

and other risks, uncertainties and assumptions relating to the Company's operations, results of operations and growth strategy.

These forward-looking statements apply only as of the date of this document. Subject to any obligations under the Prospectus Rules and the AIM Rules, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. Investors should specifically consider the factors identified in this document which could cause actual results to differ before making an investment decision.

Nothing in the preceding three paragraphs shall be taken to limit the working capital statements contained in paragraph 6 of Part IV of this document.

Presentation of information

Market, economic and industry data

Unless the source is otherwise stated, market, economic and industry data used throughout this document is derived from various industry and other independent sources, publicly available information and industry publications, including publications and data compiled by:

- Bloomberg
- State Bank of Vietnam (**SBV**)
- Viet Capital Asset Management (**VietCapital**)
- General Statistics Office of Vietnam (**GSO**)

The Company and the Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Currency presentation

Unless otherwise indicated, all references in this document to "\$" or "Dollars" are to the lawful currency of the US, all references to "VND" or "Dong" are to the lawful currency of Vietnam, all references to "€" or "Euro" are to the lawful currency of the Eurozone countries and all references to "£" or "Pound Sterling" are to the lawful currency of the United Kingdom.

Definitions

A list of defined terms used in this document is set out at pages 197 to 202 of this document.

Governing law

Unless otherwise stated, statements made in this document are based on the law and practice currently in force in England and Wales and are subject to changes therein.

DIRECTORS, INVESTMENT MANAGER AND ADVISERS

Directors	Min Hwa Hu Kupfer (<i>Non-Executive Chairperson</i>) Professor Dr. Rolf Dubs (<i>Non-Executive</i>) Nguyen Quoc Khanh (<i>Non-Executive</i>)
Registered Office and Company Secretary	CARD Corporate Services Ltd. Zephyr House 122 Mary Street P.O. Box 709 Grand Cayman KY1-1107, Cayman Islands
Investment Manager	VietNam Holding Asset Management Ltd. Zephyr House 122 Mary Street P.O. Box 709 Grand Cayman KY1-1107, Cayman Islands
Nominated Adviser (AIM)	Altium Capital Limited 30 St. James's Square London SW1Y 4AL, United Kingdom
Broker (AIM)	Winterflood Investment Trusts The Atrium Building Canon Bridge House 25 Dowgate Hill London EC4R 2CA, United Kingdom
Listing Partner and Designated Sponsor (Entry Standard)	Oddo Seydler Bank AG Schillersstrasse 27-29 D-60313 Frankfurt am Main, Germany
Custodian, Administrator and Transfer Agent	Standard Chartered Bank, Singapore Branch 7 Changi Business Park Crescent Level 3, Securities Services Singapore 486028
Vietnam Sub-Custodian	Standard Chartered Bank (Vietnam) Limited Securities Services, Wholesale Bank Operations 8 th Floor, 49 Hai Ba Trung Hanoi, Vietnam
Registrar	Capita Registrars (Guernsey) Limited Mont Crevelt House Bulwer Avenue St Sampson GY2 4LH, Guernsey
Depository	Capita IRG Trustees Limited The Registry 34 Beckenham Road Beckenham Kent BR3 4TU, United Kingdom

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16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Reporting Accountant

Grant Thornton UK LLP
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London EC2P 2YU

Legal Advisor to the Company
(as to English law)

Norton Rose Fulbright LLP
3 More London Riverside
London SE1 2AQ, United Kingdom

Legal Advisor to the Company
(as to Cayman Islands Law)

Collas Crill & CARD
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122 Mary Street
P.O. Box 709
Grand Cayman
KY1-1107, Cayman Islands

PART I THE PROPOSAL

The Bonus Issue

The Company is making the Bonus Issue to Qualifying Shareholders *pro rata* to their shareholdings on the basis of one Warrant for every three Shares held on the Record Date. The Bonus Issue was approved by Shareholders at an extraordinary general meeting of the Company held on 23 April 2015.

The key terms of the Bonus Issue are as follows:

- one Warrant will be issued for every three Shares held by Qualifying Shareholders on the Record Date who confirm their eligibility to receive Warrants;
- the Warrants will be exercisable on three separate occasions, being 1 June 2016, 1 December 2016 and 1 June 2017, being the Final Exercise Date;
- the Exercise Price is equal to the NAV per Share as at 31 March 2015, being US\$1.998;
- the Warrants will be transferable and application will be made to the London Stock Exchange for the Warrants to be admitted to trading on AIM;
- the Warrant Trustee will receive one Warrant for every three Shares held by Restricted Shareholders and other Shareholders who do not confirm their eligibility (all such Shareholders together being the **Ineligible Shareholders**). If the net proceeds arising from a sale of the new Shares issued on exercise would exceed the Exercise Price of the Warrants and the other costs of exercise), the Warrant Trustee will exercise the Warrants on the Final Exercise Date, sell the new Shares issued on exercise and remit the net proceeds to the Ineligible Shareholders save that entitlements of less than US\$20.00 per Ineligible Shareholder will be retained by the Company for its own account; and
- the instrument constituting the Warrants contains other provisions typically found in such instruments, including those relating to the adjustment of the terms of the Warrants, protections for holders of Warrants and the procedures for the modification of the rights of the Warrants. Such provisions are similar to those of the 2012 Warrant Issue and are set out in full in Part VI of this document.

Fractions of Warrants will not be allotted or issued and therefore entitlements will be rounded down to the nearest whole number of Warrants.

If Warrants are not exercised by the Final Exercise Date they will expire. If, at that time, the price of the Shares is less than the Exercise Price (i.e. the Warrants are “out of the money”), then it is likely that the Warrants will expire without any value. If the price of the Shares is more than the Exercise Price (and the other costs of exercise), the Warrant Trustee will exercise any Warrants that have not been exercised as at the Final Exercise Date, sell the Shares issued on exercise and remit the net proceeds to the holders of such unexercised Warrants as at the Final Exercise Date save that entitlements of less than US\$20.00 per holder of Warrants will be retained by the Company for its own account.

The Warrants will be created under, and governed by, the laws of the Cayman Islands. The ISIN of the Warrants will be KYG9361X1209 and its AIM TIDM will be VNHW.

Conditions of the Bonus Issue

The Bonus Issue was approved by Shareholders at an extraordinary general meeting held on 23 April 2015, at which a resolution to amend the Articles to defer the next continuation vote of the Company to the AGM in 2018 was also approved. The Bonus Issue is conditional on Admission.

Benefits of the Bonus Issue

Due to the success of the 2012 Warrant Issue, the Board views the Bonus Issue as a favourable method of increasing the funds available to the Company. The Board believes that the Bonus Issue will have the following advantages:

- Qualifying Shareholders will receive Warrants which may be exercised at a predetermined price allowing the new Shares received by them to participate in future Net Asset Value growth;
- on any exercise of Warrants, the capital base of the Company will increase, allowing operating costs to be spread across a larger number of Shares which should cause the Company's total expense ratio to fall;
- following the exercise of any Warrants, the Company will have an increased number of Shares in issue, which may in due course improve the liquidity in the market for the Shares; and
- Qualifying Shareholders will receive Warrants which will be admitted to trading on AIM, which may have a monetary value and which may either be traded in a similar fashion to their existing Shares or exercised into new Shares on the Exercise Dates.

Action to be taken

Any Shareholder (including, without limitation, agents, nominees and trustees) outside the United Kingdom wishing to receive Warrants must satisfy itself as to full observance of the applicable laws of any relevant territory, including obtaining any requisite consents, observing any formalities and paying any issue, transfer or other taxes due in such territories. Qualifying Shareholders (whether or not inside the United Kingdom) should take the action described below to receive their entitlements to Warrants.

Certificated holdings

Qualifying Shareholders who hold Shares in certificated form will be sent an Eligibility Form on the date of publication of this document.

To elect to receive Warrants, Qualifying Shareholders who hold Shares in certificated form must return the Eligibility Form (in the reply paid envelope provided or by post or by hand to Capita Asset Services at Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU) duly completed in accordance with the instructions thereon so as to be received by the Company's receiving agents, Capita Asset Services as soon as possible and in any event by no later than 11.00 a.m. on 3 June 2015. No acknowledgement of receipt will be given. The instructions printed on the Eligibility Form will be deemed to form part of the terms of the Bonus Issue.

The Company reserves the right to treat as invalid and will not be bound to issue Warrants to any Shareholders who returns an Eligibility Form that appears to the Company or its agents to have been executed, effected or despatched from a Restricted Territory.

Uncertificated holdings

To elect to receive Warrants, Qualifying Shareholders who hold Shares in uncertificated form through Euroclear or Clearstream, Luxembourg must arrange for a direct participant in Euroclear or Clearstream, Luxembourg to deliver their Electronic Certification to Euroclear or Clearstream, Luxembourg in accordance with the deadlines specified by Euroclear or Clearstream, Luxembourg. Only a direct participant in Euroclear or Clearstream, Luxembourg may submit an Electronic Certification to Euroclear or Clearstream, Luxembourg. If a Qualifying Shareholder hold Shares through a custodian, it may not submit an Electronic Certification directly. Qualifying Shareholders should contact that custodian to submit an Electronic Certification on their behalf.

A Shareholder that submits an Electronic Certification is deemed to be making the certifications contained in the Electronic Certification to the Company and warranting and representing to the Company that it is a Qualifying Shareholder.

Custodians, direct participants and clearing systems might have deadlines prior to 11.00 a.m. on 3 June 2015 for receiving instructions and should be contacted as soon as possible to ensure the proper and timely delivery of instructions.

Admission and dealings

The Warrants will be in registered form and may be issued either in certificated form or as Depositary Interests in uncertificated form and settled through CREST.

CREST is a computerised paperless settlements system, which allows securities to be transferred via electronic means, without the need for a written instrument of transfer. Foreign securities cannot be held or traded in the CREST system. To enable investors to settle their Warrants through CREST, the Depositary will hold the relevant Warrants and will issue dematerialised Depositary Interests representing the underlying Warrants to the relevant investors.

The Depositary will hold the Warrants on trust for the respective underlying holders. This trust relationship is documented in a deed executed by the Depositary. The Depositary Interests are independent, English securities and are held on a register maintained by the Depositary Interest Registrar. The Depositary Interests have the same ISIN as the Warrants that they represent and do not require a separate admission to trading on AIM.

Holders of Warrants in certificated form who wish to settle Warrants through CREST can transfer their holding to the Depositary, which will then issue Depositary Interests representing the transferred Warrants. The Depositary Interest holder will not hold a certificate evidencing the underlying Warrant. Depositary Interests are issued on a one for one basis against the Warrants that they represent for all purposes.

Participation in CREST is voluntary and holders of Warrants who wish to hold Warrants outside of CREST will be entered in the Register of Warrants maintained by the Registrar and issued with a Warrant certificate evidencing ownership.

Application will be made by the Depositary for the Depositary Interests representing the Warrants to be admitted to CREST on Admission.

The Company expects that Shareholders who hold Shares on the Record Date through the Euroclear and Clearstream, Luxembourg settlement systems will receive credits to their accounts in respect of Warrants shortly after Admission. These credits will be in respect of Depositary Interests, unless Euroclear and Clearstream, Luxembourg elect to receive certificated Warrants outside of CREST.

No temporary documents of title will be issued. Pending despatch of definitive certificates, transfers of Warrants in certificated form will be certified against the relevant Register. All documents or remittances sent by or to Shareholders will be sent through the post at the risk of the Shareholder.

An application will be made to the London Stock Exchange for the Warrants to be admitted to trading on AIM. It is expected that Admission will occur, and that dealings in the Warrants will commence on 5 June 2015. On Admission, the Warrants will confer rights to subscribe for new Shares representing, in aggregate, up to one third of the then issued ordinary share capital of the Company.

Settlement of the Shares and Entry Standard Listing

The Company is currently considering making arrangements for the settlement of the Shares in CREST in depositary interest form. It is expected that any such change in the settlement arrangements, if implemented, will take effect in July 2015. A further announcement is expected to be made in due course.

The Company is also currently considering whether to maintain the trading facility for the Shares on the Entry Standard. Any final decision in this regard will be communicated to Shareholders in due course.

Net proceeds

Although there can be no certainty as to whether any or all of the Warrants will be exercised, if all of the Warrants are exercised at the Exercise Price, the maximum gross proceeds that could arise on such exercise would be approximately US\$39.92 million. The net proceeds arising on the exercise of the Warrants will be invested in accordance with the Investing Policy.

Taxation

The attention of Shareholders is drawn to the summary of Cayman Islands, Vietnam and United Kingdom tax matters set out in Part VII of this document.

Restricted Shareholders

The issue of the Warrants to persons who have a registered or mailing address in Restricted Territories may be affected by the law and regulatory requirements of the relevant jurisdiction. The Bonus Issue will not be extended to, and the Warrants will not be issued to and may not subsequently be exercisable by Restricted Shareholders. In particular, issues to certain Shareholders in the EEA would or are likely to be considered to comprise marketing of securities by local regulators and would not be permissible by the Company as a non-EU AIF managed by a non-EU AIFM without the satisfaction by the Company and the Investment Manager of potentially costly, complex, impractical and/or time consuming pre-conditions.

Notwithstanding the above, the Company reserves the right to permit any Shareholder to receive Warrants under the Bonus issue, if the Company in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the applicable restrictive legislation or regulations.

The Board will issue to the Warrant Trustee such number of Warrants as are available for issue to Ineligible Shareholders in terms of the resolution of the Company passed on 23 April 2015 approving the issue of the Warrants (on the basis of one Warrant for every three Shares by an Ineligible Shareholder). If the net proceeds arising from a sale of the new Shares issued on exercise would exceed the Exercise Price of the Warrants and the other costs of exercise), the Warrant Trustee will exercise the Warrants on the Final Exercise Date, sell the new Shares issued on exercise and remit the net proceeds to the Ineligible Shareholders save that entitlements of less than US\$20.00 per Ineligible Shareholder will be retained by the Company for its own account. Further details of the terms on which such Warrants will be held are described at paragraph 10.7 of Part VIII of this document.

Swiss Shareholders

The Company qualifies as foreign collective investment scheme in the sense of article 119 of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 (**CISA**). The Company has not been authorized for public promotion, offer, sale, distribution or placement in or from Switzerland by the Swiss Financial Market Supervisory Authority, and no respective action has been taken or application been made under article 120 CISA and no such action or application must be expected to be taken or made. Accordingly, and based on article 3 of the Swiss Collective Investment Schemes Ordinance of November 22, 2006 (**CISO**), the Warrants may and will only be issued to Shareholders resident in Switzerland who are known to the Company as being qualified investors within the meaning of article 10 para. 3 and 4 CISA and article 6 CISO (**Swiss Qualified Investors**). The Warrants and/or the Company must not be publicly promoted, offered, placed or distributed in or from Switzerland and no form of advertisement and no use of (mass) media with respect to the Warrants and/or the Company must be made within or from Switzerland. Neither this document nor any other offering material relating to the Warrants or an investment in the Company must be made public in Switzerland or disclosed to anybody other than Swiss Qualified Investors. Any Shareholder who is in doubt as to his position should consult an appropriate independent adviser.

Qualifying Shareholders in Luxembourg

This document does not constitute a public offer in the Grand Duchy of Luxembourg. The Luxembourg financial sector regulator (the *Commission de Surveillance du Secteur Financier (CSSF)*) has neither reviewed nor approved this document. Accordingly, the Warrants are and may not be offered to the public in or from the Grand Duchy of Luxembourg, directly or indirectly, and neither this document or other material may be distributed, or otherwise made available in, from or published, in Luxembourg, except in circumstances which do not constitute an offer of securities to the public requiring the publication of a prospectus in accordance with the Luxembourg Act of 10 July 2005 on prospectuses for securities (the **Prospectus Law**) (and any amendments thereto). This document is addressed only to qualified investors in Luxembourg as defined under Annex II of the Directive 2004/39/EC. Furthermore, the Investment Manager has notified its intention to market shares of the Fund in Luxembourg to the CSSF in accordance with article 45 of the Luxembourg Law of 12 July 2013 (the **AIFMD Law**). The Warrants will only be offered to the extent that the Warrants: (i) are not offered outside the scope of the exemptions provided for by Article 5 § 2 of the Prospectus Law and (ii) are permitted to be marketed into Luxembourg pursuant to article 45 of the AIFMD Law or can otherwise be lawfully offered or sold.

For the purposes of this provision, the expression “offer of Warrants to the public” in relation to any Warrants in Luxembourg means the communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Warrants to be offered so as to enable an investor to decide to purchase or subscribe the Warrants.

PART II INFORMATION ON THE COMPANY

The Company

The Company is a closed-end investment company that was incorporated in the Cayman Islands on 20 April 2006 as an exempted company with limited liability with number CD-166182. The Shares have been admitted to trading on AIM since 15 June 2006 and a secondary quotation has been maintained on the Entry Standard since 20 October 2008. The Company has an unlimited life with a continuation vote in 2018.

Investment objective

The Company's investment objective is to achieve long-term capital appreciation by investing in a diversified portfolio of companies that have high growth potential at an attractive valuation.

Investing Policy

The Company attempts to achieve its investment objective by investing in the securities of public companies in Vietnam, and in the securities of foreign companies if a majority of their assets and/or operations are based in Vietnam. The Company may invest in equity securities or securities that have equity features, such as bonds that are convertible into equity. The Company may invest in equity securities of public companies in Vietnam, either through purchases of their shares on the Vietnamese stock exchanges, through purchases on the OTC Market, or through privately negotiated deals.

The Company may invest its available cash in the domestic bond market as well as in international bonds issued by Vietnamese entities. The Company may utilise derivatives contracts for hedging purposes when available.

The Company does not intend to take control of any company or entity in which it has directly or indirectly invested (an **Investee Company**) or to take an active management role in any such company. However, the Investment Manager may appoint one of its directors, employees or other appointees to join the board of the Investee Company and/or may provide certain forms of assistance to such company, subject to prior approval by the Board.

The Company will not invest in derivative instruments other than for the purposes of efficient portfolio management. The Company integrates ESG factors into its investment analysis and decision-making process. Through its Investment Manager, the Company actively incorporates ESG considerations into its ownership policies and practices, and engages Investee Companies in pursuit of appropriate disclosure and the improvement of material issues.

The Company may invest:

- up to 25 per cent. of its Net Asset Value (at the time of investment) in companies with shares traded outside of Vietnam if a majority of their assets and/or operations are based in Vietnam;
- up to 20 per cent. of its Net Asset Value (at the time of investment) in private equity investments; and
- up to 20 per cent. of its Net Asset Value (at the time of investment) in other listed investment funds or holding companies which have the majority of their assets in Vietnam.

The Company is permitted to borrow money and to grant security over its assets provided that such borrowings do not exceed 25 per cent. of the latest available Net Asset Value at the time of the borrowing, unless the Shareholders in general meeting otherwise determine by Ordinary Resolution.

Any material change to the Investing Policy will only be made with the approval of Shareholders by Ordinary Resolution.

Investment restrictions

The Company will adhere to the general principle of risk diversification in respect of its investments and will observe the following investment restrictions:

- the Company will not invest more than 10 per cent. of its NAV (at the time of investment) in the shares of a single Investee Company;
- the Company will not invest more than 30 per cent. of its NAV (at the time of investment) in any one sector;
- the Company will not invest directly in real estate or real estate development projects, but may invest in companies which have a large real estate component, if their share are listed or are traded on the OTC Market; and
- the Company will not invest in any closed-ended investment fund unless the price of such investment fund is at a discount of at least 10 per cent. to such investment fund's net asset value (at the time of investment).
- the Company will not invest in companies known to be significantly involved in the manufacturing or trading of distilled alcoholic beverages, tobacco, armaments or in casino operations or other gambling business;
- the Company will not invest in companies known to be subject to material violations of Vietnamese laws on labour and employment, including child labour regulations or racial or gender discriminations; and
- the Company will not invest in companies that do not commit to reducing in a measurable way pollution and environmental problems caused by its business activities.

In addition, under Vietnamese law:

- foreign investors (such as the Company) as a group are currently restricted from holding in excess of 49 per cent. of the total issued shares of any non-bank public company (either listed or unlisted). The Company will not attempt to purchase shares in any public company which would result in a breach of such regulations, though the Company may take advantage of any relaxation of such regulations that may occur over the course of time; and
- foreign investors may only own up to a specific limit of a company in certain sectors expressly open to foreign investment, as stipulated by the Government from time to time – for example, foreign investors can collectively only own up to 30 per cent. of banks.

In the event of a breach of any investment restrictions, the Investment Manager shall inform the Board upon becoming aware of the same and if the Board considers the breach to be material, it will discuss with the Company's nominated advisor whether notification should be made to the Regulatory Information Service Provider.

The Company will only change the above investment restrictions with the prior approval of Shareholders by an Ordinary Resolution.

Additional considerations

The Company, through the Investment Manager, will actively incorporate ESG considerations into its ownership policies and practices. It will seek an active dialogue with the management of the entities in which it invests and will seek appropriate disclosure of ESG issues.

Through its VietNam Holding Forum events, the Company promotes acceptance and implementation of the ESG principles within the investment industry. While the Company is strongly committed to the

economic development of Vietnam, it also strives to improve the social welfare of Vietnam's youth through the work of its affiliated VNH Foundation.

Where the Company invests as a minority shareholder in an Investee Company that is not listed, the Investment Manager will use commercially reasonable efforts to obtain suitable shareholder protection for the Company, for example by way of a shareholders' agreement or board representation, where available and appropriate. However, there is no guarantee that the Investment Manager will succeed in obtaining such protection for the Company or that if such protection is obtained, it will be effective in protecting the minority shareholder interest held by the Company.

Vietnam remains a developing country and accordingly, if the Company is considering investing in an unlisted company then prior to the Company doing so, the Company and the Investment Manager carry out extensive due diligence on such potential investment. The extent of the due diligence will depend upon the nature of each investment, with greater due diligence being possible in the context of a negotiated purchase than in the context of a purchase of shares upon the equitisation or privatisation of a SOE.

The Investment Manager aims to have a corporate governance structure that protects the investments of its shareholders and ensures the dedication of its employees as well as protecting the interests of other stakeholders. The Investment Manager aims to operate in a fair and transparent manner, while ensuring a robust and effective system of internal controls and management of operational and investment risks.

Investment process

Pursuant to the Investment Management Agreement, the Board has delegated decision-making powers with regard to investments by the Company to the Investment Manager and as such, the Investment Manager is responsible for all aspects of the implementation and execution of investment decisions. Notwithstanding this, the Board must approve all investments which are over 4 per cent. of the Net Asset Value (at the time of investing) and, also in certain cases divestments when the Company holds more than 4 per cent. of the share capital of an Investee Company in accordance with the approval process described in the "Review and approval process" section below. In addition, the Board may provide such instructions to the Investment Manager as it considers appropriate.

In agreement and close cooperation with the Board, the Investment Manager applies the following investment process to the Company's portfolio:

Asset allocation method

- (i) Top-down: the Investment Manager, in agreement with the Board, defines a target asset allocation along the main sectors based on a comprehensive (desktop) research on the development of Vietnam's economy which is regularly updated.
- (ii) Bottom-up: the Investment Manager selects potential targets, using publicly available information, brokerage research, fact-finding interviews with the prospective Investee Company's board and senior management and the network of contacts developed by the Investment Manager's analysts, directors and advisors.

Asset origination

- (i) Market screening

The Company's "investment universe" consists primarily of about 302 companies listed on HoSE, about 363 companies listed on HNX and about 1,982 companies traded OTC. Additionally, the Investment Manager may from time to time invest in foreign companies if a majority of their assets or operations are based in Vietnam. A screening of these markets is conducted regularly, based on criteria such as relevance to the Company's investment themes, quantitative indicators or exclusion criteria. The Investment Manager is supported in this task by a variety of sources, the most significant being its board of directors, an advisory council to the Company and banks and other professional intermediaries known to the Investment Manager.

(ii) Selection and valuation:

Once an investment opportunity has been identified, the Investment Manager researches and analyses the opportunity, relying on its in-depth knowledge of Vietnam, of Vietnam's stock exchanges and on the business contacts which its directors and officers have established in the country. The Investment Manager applies in particular the following assessment criteria:

- (a) target companies' share performance relative to market/market sector;
- (b) target companies' performance relative to forecast/objectives; and
- (c) target companies' performance relative to and compliance with locally applicable ESG criteria.

The Investment Manager is responsible for coordinating and conducting any due diligence of the proposed investment as it considers appropriate. To that end, the Investment Manager may use third party consultants, where necessary and available, but it does not anticipate having to rely on such consultants at present.

Review and approval process

Once a target company has been identified, either the CEO or the CFO of the Investment Manager is primarily responsible for the preparation of an investment proposal covering all aspects of the proposed investment (including ESG issues) and for the presentation of this investment proposal to an investment committee for approval (the **Investment Committee**).

The Investment Committee is currently made up of the three members of the Investment Manager's board of directors and of the Investment Manager's CEO. It is responsible for ascertaining whether the proposed investment is appropriate for the Company and whether it meets the Investing Policy.

Investments of a value of up to 4 per cent. of the Net Asset Value (at the time of investing) of the portfolio must be approved by a majority of the members of the Investment Committee. The Investment Manager must also obtain the prior approval of the Board for any investment of more than 4 per cent. of the Net Asset Value (at the time of investing) of the Company's portfolio, as well as for divestments when the Company holds more than 4 per cent. of the share capital of an Investee Company and the contemplated divestment exceeds 25 per cent. of the Company's total shareholding in such Investee Company.

All communications between the Investment Manager's chief executive officer, the Investment Committee and, where applicable, the Board take place by electronic mail. The Investment Committee and the Board meet, either in person or via conference call, on an ad hoc basis, as and when required.

As a result, investment and divestment decisions are usually taken within three to five business days from the date of presentation of the initial investment proposal. A joint investment committee, composed of the members of the Board and of the board of the Investment Manager and of the Investment Manager's CEO and key staff (the **Joint Investment Committee**), ratifies investments and divestments executed during the preceding quarter.

Implementation

Once the necessary approvals have been secured, the Investment Manager uses reasonable efforts to effect the investment in an appropriate manner. The Investment Manager is particularly responsible for coordinating and conducting any further due diligence of the target company and evaluating its compliance with ESG criteria. The Investment Manager may retain, at the Company's expense, any external accounting, legal and operational and environmental consultants as may be necessary.

Investments monitoring and reporting

The Investment Manager is responsible for monitoring the Company's investments. To that effect, it seeks to develop close working relationships with the board and management of Investee Companies. It also reviews on an ongoing basis all Investee Companies' financial statements, ESG compliance statements, as well as other publicly available documentation and market information.

More specifically and without limitation, the Investment Manager provides the Company with the following information:

- detailed investment statistics on Investee Companies' investment portfolio, on a semi-monthly basis;
- reports on Vietnam's macro-economic and financial markets, on the Company's portfolio and on the Investment Manager's activity, on a monthly basis;
- reports on the Investment Manager's activities and proposed strategy in relation to existing and potential investments, on a quarterly basis and in advance of each Board meeting;
- reports on the regular calls placed by the Investment Manager's analysts on the management of the Investee Companies'; and
- reports on the Investment Manager's activities and proposed strategy in relation to the Company's SRI commitments, on a quarterly basis and in advance of each Board meeting.

In addition, the Investment Manager regularly updates the Company's Intranet website with market information on Investee Companies and related economic sectors (e.g. brokers' research, relevant press releases, other publications).

Portfolio rebalancing and investment realization

The Company is a value investor with a strategy aimed at long-term participation in its Investee Companies. As a matter of principle, the Company does not trade shares in its core investments.

In order to accommodate fast-changing market conditions and the inclusion of ESG criteria into the investment process, the Company's portfolio is subject to two forms of rebalancing of the relative weight of its components: a tactical rebalancing conducted when deemed necessary in response to industry-, theme- or company-specific market expectations, upon decisions by the Investment Committee, and a larger scale fundamental rebalancing in response to fundamental changes in market conditions. The latter may take place following the quarterly review of the Company's portfolio by the Joint Investment Committee. Each sector and Investee Company is reviewed and a decision to increase, hold or decrease the Company's investment is presented for review and approval. In particular, new Investee Companies are subject to a fact-finding and relationship-building period until their compliance with the Company's investment criteria is confirmed. Investee Companies who no longer comply with applicable investment criteria or whose market positioning or competitive advantage steadily deteriorate may be subject to divestment.

Management of the Company

The Board

The Company is managed under the direction of the Board, which makes all policy decisions on investment strategies, portfolio allocations, investment risk profiles, capital increases and profit distributions to Shareholders. It also appoints the Investment Manager, to whom it provides such instructions as may be appropriate.

The Board is responsible for establishing and reviewing the Investing Policy and the performance of its investment portfolio. In particular, the Board is required to approve all investments which are over 4 per cent. of the Net Asset Value at the time that the investment is made. Disposals of investments

where the Company holds 4 per cent. or more of the total share capital of the respective Investee Company are also subject to the approval of the Board.

The Board consists of three Directors, all of whom are non-executive, and meets at least once each quarter.

The Board has established two committees, an Audit Committee and a Corporate Governance Committee, to which certain matters are delegated. All three Directors sit on both of these committees.

The Audit Committee is responsible for appointing the Auditors, subject to Shareholder approval, and reviewing the results of all audits. It is also responsible for establishing internal business controls and audit procedures. The internal compliance audit function has been delegated to an external audit firm, which submits periodic internal audit reports to the Chairperson of Audit Committee.

The Corporate Governance Committee is responsible for the governance of the Company and the Company's relationships with multiple constituents, including the Investment Manager and its affiliates.

Brief biographies of the Directors are given below:

Min Hwa Hu Kupfer (Non-Executive Chairperson)

Mrs. Kupfer (aged 61) was, until February 2006, the President of GE Capital Finance (China) Co., Ltd. Her prior banking career includes 19 years with Bank One/The First National Bank of Chicago where she served as the senior executive overseeing consecutively Strategy and Planning for Middle Markets Banking and Retail Banking. She was also the Country Manager, China for Bank One and First Chicago. Mrs. Kupfer assumed the Chairmanship of the American Chamber of Commerce in China, the first female executive to hold such a position in China. She has strong insight into other parts of Asia, having worked in Singapore and travelled extensively on business within Southeast Asia. Mrs. Kupfer holds a BS degree from National Taiwan University, an MS from the University of Illinois and an MBA from the University of Chicago.

Professor Dr. Rolf Dubs (Non-Executive, Chairperson of the Corporate Governance Committee)

Professor Dr. Dubs (aged 80) has been involved for many years in numerous Swiss government projects in Vietnam's education sector as well as in technical assistance to the country's financial markets. Professor Dr. Dubs is a former President of the HSG University of St. Gallen, one of Europe's leading German-speaking economics universities. Professor Dr. Dubs has worked and taught at Harvard and Stanford Universities, as well as several other leading universities, and serves on the corporate boards of many leading Swiss and international corporations.

Nguyen Quoc Khanh (Non-Executive, Chairperson of the Audit Committee)

Mr. Khanh (aged 73) completed his studies in France with a Masters in Mining Engineering and spent over thirty-five years with the Shell Group. He served in senior management and finance positions in many countries before accepting an assignment as Chairman and Chief Executive Officer of Shell Vietnam from 1996 until 2002. He lives in France and in Vietnam and is an active private equity investor in Vietnam.

The Investment Manager

VietNam Holding Asset Management Ltd. acts as the Investment Manager of the Company. It has a representative office in Ho Chi Minh City and a subsidiary in Zurich, Switzerland. The Investment Manager is controlled by the family of its founder, Juerg Vontobel.

The Investment Manager and its board members have experience in research into companies listed on Vietnam's stock exchanges and in advising on and dealing in emerging market securities generally. The Investment Manager's board is actively involved in the investment process and supports the management of the Investment Manager in formulating policies and procedures relating to investments, divestments, diversification, liquidity management, as well as all operating policies.

Brief biographies of the directors of the Investment Manager are given below:

Jean Christophe Ganz (Chairman)

Jean-Christophe Ganz, Swiss and French citizen, graduated in Law and Economics from the University of Lausanne. Following a career in international corporate banking and private banking management, in particular as general manager of the Bratislava Branch and subsequently of the Swiss subsidiary of ING Bank, a Dutch international banking group, Mr Ganz became active as a business consultant, also serving on the boards of several private equity investment companies. Mr Ganz joined the board of the Investment Manager in March 2009 and has acted as Chairman of the board and Head of the Investment Committee since September 2011.

Vu Quang Think (Vice-Chairman and CEO)

Mr. Think joined the Investment Manager in 2011 as CEO after more than 20 years in senior level positions in investment management and financial consulting with both major international organizations and private companies. In 2013 he was appointed to the board of the Investment Manager. Before joining the Investment Manager, he served as chief executive officer of SGI Capital, an investment management firm which is part of the Saigon Invest Group. Previously he was managing partner of MCG Management Consulting, which he founded and led through numerous high-level assignments for both global and local companies. Prior to founding MCG Management Consulting, he was head of the management consulting practice of KPMG in Vietnam where he did extensive restructuring work with several State Owned Enterprises. Mr. Think holds an MBA from Washington State University, and a BS degree in Mathematical Economics from the Hanoi National Economic University.

Donald Van Stone (Non-executive)

Mr. Van Stone served as Executive Vice President of MasterCard International in Europe, Middle East and Africa, and was President of its Middle East/Africa region. Previously he was MasterCard's General Manager in Southeast Asia, based in Singapore. His previous, extensive global banking career included senior management assignments with major banks in six countries and service as the CEO of First City Bank in Austin, Texas. Mr. Van Stone holds a BS degree in Physics and a Harvard MBA with high distinction.

Iris Fang (Non-executive)

Mrs. Fang has more than 30 years' experience in the banking industry, including assignments in New York City, San Francisco, Los Angeles, Singapore as well as Vietnam. Her extensive career included positions in structured finance and strategy at various financial institutions such as Bank of America, Chase Manhattan Bank and Standard Chartered Bank where she was Regional Head of Strategy for the Asia region and CEO Vietnam from 1995-1997. Mrs. Fang is now based in Vietnam where she acts as a consultant and advisor to several Vietnamese companies. Mrs. Fang holds an MBA and Bachelors of Business from the University of Georgia, USA with a Major in Marketing, Banking and Finance.

Investment Management Agreement

Under the Investment Management Agreement the Investment Manager is responsible for the day-to-day management of the Company's investment portfolio in accordance with the Company's investment policies, objectives and restrictions. It is responsible for, among other things:

- providing a continuous investment program for the Company's portfolio, including seeking suitable investments and negotiating and structuring individual investments, advising and supporting the Company in relation to the development of its investments, seeking ways in which the Company might dispose of its investments, including determining appropriate timing for divestments and providing investment research and advice with respect to all securities and investments and cash equivalents being considered for the portfolio or comprised in the portfolio;

- providing strategic advice on meeting the Company's investment objectives;
- at its sole discretion, deciding whether or not to provide any assistance as it deems appropriate in order to enhance the performance of Investee Companies;
- providing liquidity management services to the Company, including the interim placement of assets in international bond markets; and
- acting honestly and in the best interest of the Company and exercising the care, diligence and skill which a reasonably prudent investment manager would exercise in the circumstances.

Under the Company's Investing Policy, the Investment Manager actively incorporates ESG considerations into the Company's ownership policies and practices. It also seeks an active dialogue with the management of Investee Companies and appropriate disclosure of ESG issues.

The Investment Manager may delegate the carrying out of certain functions to qualified third parties, while remaining liable to the Company. In particular, the Investment Manager may delegate to specialised service providers the management of its liquid assets, including interim placements on the international bond markets and the execution of any purchase of shares on markets outside of Vietnam.

Under the Investment Management Agreement, the Investment Manager's appointment may be terminated, *inter alia*, by either the Company or the Investment Manager giving one year's notice in writing to the other party.

Under the Investment Management Agreement, the Investment Manager is entitled to receive a monthly management fee (**Management Fee**) at the agreed rate of:

- one twelfth of 2 per cent. per annum on the amount of the Net Asset Value up to and including US\$100 million;
- one twelfth of 1.75 per cent. per annum on the amount of the Net Asset Value above US\$100 million up to and including US\$150 million; and
- one twelfth of 1.50 per cent. per annum on the amount of the Net Asset Value above US\$150 million.

The Management Fee is payable monthly in advance and is calculated by reference to the NAV per Share on the most recent Valuation Date. The Investment Manager is also reimbursed by the Company for administrative functions that it performs on behalf of the Company.

The Investment Manager is also entitled to receive each year from the Company, in addition to the Management Fee, an incentive fee at the rate of 15 per cent. of the annual increase in the Net Asset Value over the higher of an annualised hurdle rate of 5 per cent. or a "high water mark" requirement and, in any event, this cannot exceed 3 per cent. of the NAV at the prior year end.

One third of the fee earned is payable to the VNH Foundation, with the balance being payable to the Investment Manager (85 per cent. of which is satisfied in cash and 15 per cent. of which is satisfied by the transfer of treasury shares by the Company). A previously agreed percentage of the fee received (8 per cent.) is distributed to the Board, with the exception of Min Hwa Hu Kupfer. The Company will distribute the incentive fee within 14 days after the Board has approved the annual audited financial statements of the Company in respect of the relevant financial year.

Dividend policy

The Board may from time to time declare any such dividends to Shareholders as appropriate. No dividend may be declared or paid other than from funds lawfully available for distribution including share premium. The Company's income from investments will be applied first to pay the fees and other expenses of the Company. The Company's net income (excluding capital gains), if any, may be

distributed to Shareholders, subject to retention of sufficient funds to meet anticipated fees and other expenses and subject to the ability to convert Dong income into foreign currency for purposes of paying such dividends. Any dividends unclaimed after a period of six years after having been declared will be forfeited and revert to the Company. No dividend payable by the Company on or in respect of any Share will bear interest against the Company. To date, no dividends have been distributed by the Company.

Accounting policy

The audited accounts of the Company are prepared in accordance with International Financial Reporting Standards. The audited financial statements are sent to Shareholders within six months of the end of the relevant financial year. The Company also publishes an unaudited interim report covering the six month period to 31 December each year within three months of that date.

Reports to Shareholders and Annual General Meetings

The Company's annual report and accounts are prepared up to 30 June each year and it is expected that copies will be sent to Shareholders before the end of the following September. The Company's annual general meetings are usually held in the fourth quarter of each year.

PART III THE COMPANY'S INVESTMENT PORTFOLIO

Investment Portfolio

As at 15 May 2015 (being the latest practicable date prior to the publication of this document), the Company's investment portfolio (the **Portfolio**) consisted of 22 equity investments in Investee Companies, with an aggregate unaudited fair value of US\$110.4 million. As at 15 May 2015 the Company had an unaudited NAV of US\$118.58 million and therefore, 93.12 per cent. of the NAV was invested in Investee Companies, with the remainder held in cash and cash equivalents.

An analysis of the Portfolio as at 15 May 2015, highlighting the 10 largest Investee Companies by value of investment, all of which are listed on the HoSE, is set out below:

Investee Company (HoSE ticker) and activities	Value of holding (US\$'000)	% of NAV
Traphaco JSC (TRA) <i>Pharmaceuticals</i>	9,697	8.2
Phu Nhuan Jewelry (PNJ) <i>Jewellery Producer</i>	8,333	7.0
Binh Minh Plastics JSC (BMP) <i>Manufacture of plastic pipes and fittings</i>	7,575	6.4
Vietnam Container Shipping JSC (VSC) <i>Container agency services, ship agent and ship brokerage</i>	7,300	6.2
Vietnam Dairy Products JSC (VNM) <i>Production and distribution of dairy products</i>	7,281	6.1
Hau Giang Pharmaceutical JSC (DHG) <i>Pharmaceuticals</i>	7,105	6.0
Danang Rubber JSC (DRC) <i>Tyre manufacturer</i>	7,021	5.9
FPT Corporation (FPT) <i>IT and telecoms</i>	6,395	5.4
Hung Vuong Corporation (HVG) <i>Frozen fish producer and exporter</i>	5,855	4.9
Thien Long Group Corporation (TLG) <i>Producer of pens and stationery</i>	5,544	4.7
Sub Total - Top 10 Investee Companies	72,106	60.8
Other Investee Company investments (12 companies)	38,320	32.3
Other net current assets	8,157	6.9
Net Asset Value	118,583	100.0

Portfolio by Sector

An analysis of the Portfolio by industry sector as at 15 May 2015 is set out below:

Industry Sector	Number of Investee Companies	% NAV
Health Care	3	16.0
Industrial Goods & Services	4	13.6
Retail	2	11.7
Food & Beverage	2	11.1
Real Estate	4	10.9
Construction & Materials	2	8.6
Automobiles & Parts	1	5.9
Telecommunications	1	5.4
Banks	1	4.1
Oil & Gas	1	3.7
Travel & Leisure	1	2.2
	<hr/>	
	22	100.0

Further detail on the Company's top 10 Investee Companies

1 Traphaco Joint Stock Company (TRA)

Share register as at 6 February 2015

SCIC	36 per cent.
Foreign investors	46 per cent.
Domestic investors	18 per cent.

Company holding as at 15 May 2015

Number of shares	2,573,748
Total investment value	US\$9.70 million
Average purchase price per share	VND49,841
Percentage holding	10.4 per cent.

Company background

Traphaco (TRA) was the first pharmaceutical company in Vietnam to be certified by the World Health Organisation. Originally an SOE, TRA was equitized in 2000 and listed on the HoSE in 2008. TRA is nationally recognized as a leading supplier of high-quality herbal medicinal products, and has been awarded a number of product quality and biotechnology research awards.

For the year ended 31 December 2014, TRA reported revenues of VND1,650 billion (US\$77 million) and profit before tax of VND211 billion (US\$10 million), which represented year on year decreases of 1.9 per cent. and 8.4 per cent. respectively. As at 15 May 2015, the company's total market capitalization was VND2,023 billion (US\$93 million) and its shares traded at 13.87 times trailing earnings and 2.57 times book value.

Sources: TRA 2014 audited reports, Bloomberg. US\$/VND exchange rate of 21,388 as at 31 December 2014 and 21,765 as at 15 May 2015.

2 Phu Nhuan Jewellery Joint Stock Company (PNJ)

Shareholding as at 31 December 2014

Foreign investors	49 per cent.
Domestic investors	51 per cent.

Company holding as at 15 May 2015

Number of shares	3,521,788
Total investment value	US\$8.34 million
Average purchase price per share	VND28,664
Percentage holding	4.7 per cent.

Company background

Phu Nhuan Jewellery (PNJ) is one of the two largest jewellery producers in Vietnam. Founded in 1988 as an SOE, PNJ was listed on the HoSE in 2009.

PNJ's employs around 1,000 skilled goldsmiths and its products are distributed through 187 retail stores around Vietnam.

For the year ended 31 December 2014, PNJ reported revenues of VND9,199 billion (US\$430 million) and profit before tax of VND335 billion (US\$16 million), representing year on year increases of 3.2 per cent. and 43.8 per cent. respectively. As at 15 May 2015, the company's total market capitalization stood at VND3,893 billion (US\$179 million) and its shares traded at 16.05 times trailing earnings and 3 times book value.

Sources: PNJ 2013 & 2014 audited reports, Bloomberg. US\$/VND exchange rate of at 21,388 as at 31 December 2014 and 21,765 as at 15 May 2015.

3 BINH MINH Plastics Joint Stock Company (BMP)

Share register as at 31 December 2014

SCIC	30 per cent.
Foreign investors	48 per cent.
Domestic investors	22 per cent.

Company holding as at 15 May 2015

Number of shares	2,212,925
Total investment value	US\$7.58 million
Average purchase price per share	VND37,218
Percentage holding	4.9 per cent.

Company background

Binh Minh Plastics (BMP) is a leading manufacturer of plastic pipes and fittings in Vietnam, providing high-end products for the water supply and drainage, telecommunications, electricity, construction and civil markets. The company, formerly an SOE, was equitized in 2003 and listed on the HoSE in 2006. With modern production technology and machinery imported from Italy, Germany, Austria, Canada, the company is capable of producing 80,000 tons of product annually and is currently upgrading its capacity by an additional 20,000 tons per annum. The company maintains an extensive distribution network of over 1,100 agencies across the country.

For the year ended 31 December 2014, BMP reported revenue up 16 per cent. year on year of VND2,416 billion (US\$113 million) and profit before tax down 4 per cent. year on year of VND481 billion (US\$23 million). As at 15 May 2015, the company's total market capitalization was VND3,388 billion (US\$156 million) and its shares traded at 8.95 times trailing earnings and 1.97 times book value.

Sources: BMP 2014 audited report, Bloomberg. US\$/VND exchange rate of 21,388 as at 31 December 2014 and 21,765 as at 15 May 2015.

4 Vietnam Container Shipping Joint Stock Company (VSC)

Shareholding as at 31 December 2014

Foreign investors	49 per cent.
Domestic investors	51 per cent.

Company holding as at 15 May 2015

Number of shares	2,915,506
Total investment value	US\$7.30 million
Average purchase price per share	VND22,590
Percentage holding	8.5 per cent.

Company background

Vietnam Container Shipping (VSC) engages in four integrated businesses, comprising port services, container yards, cargo forwarding and truck transportation. Founded in 1985 as part of the Vinalines group, the company was equitized in 2002 and subsequently listed on the HoSE in January 2008. Presently VSC has no state ownership, and foreign shareholders hold the aggregate maximum permitted 49 per cent. stake.

VSC operates the "Green Port", an international seaport which can accommodate two ships of up to 10,000 deadweight each, at any one time. The company also owns a container yard of 112,600 square meters, equivalent to 25,750 twenty-foot equivalent units, located in Haiphong province, near the Green Port. VSC recently acquired a 65 per cent. stake in a new seaport, 'VIP Green Port', which is under construction and will raise VSC's capacity by 50 per cent. in 2016 and by 100 per cent. upon completion in 2020.

In the year ended 31 December 2014, VSC's revenues were up 12 per cent. to VND891 billion (US\$42 million) and its net profit before tax were maintained at VND302 billion (US\$14 million). As of 15 May 2015, the company's total market capitalization was VND1,873 billion (US\$86 million) and its shares traded at 7.28 times trailing earnings and 1.48 times book value.

Sources: VSC 2014 unaudited reports, Bloomberg. US\$/VND exchange rate of 21,388 as at 31 December 2014 and 21,765 as at 15 May 2015.

5 Vietnam Dairy Joint Stock Company (VNM)

Share register as at 31 December 2014

SCIC	45 per cent.
Foreign investors	49 per cent.
Domestic investors	6 per cent.

Company holding as at 15 May 2015

Number of shares	1,509,194
Total investment value	US\$7.28 million
Average purchase price per share	VND31,267
Percentage holding	0.2 per cent.

Company background

Vietnam Dairy (VNM) is the leading producer and distributor of dairy and beverage products in Vietnam. The company originated as an SOE in 1976, was equitized in 2005 and listed on the HoSE in 2006. Dairy products (powered milk and nutrition powder, condensed milk, liquid milk, yoghurt, cheese, ice-cream) account for more than 95 per cent. of the company's total revenue. Beverages (fruit juice, tea, bottled drinking water) account for the remainder. The company exports its milk products to numerous countries, including the US, Australia, Canada, Russia, Turkey and Iraq.

For the year ended 31 December 2014, VNM recorded revenues up 13 per cent. year on year of VND34,977 billion (US\$1.6 billion) and profit before tax reduced by 5 per cent. year on year of VND7,613 billion (US\$356 million). As at 15 May 2015, the company's total market capitalisation was VND105,012 billion (US\$4,825 million) with its shares traded at 17.1 times trailing earnings and 4.98 times book value.

Sources: VNM 2014 audited reports, Bloomberg. US\$/VND exchange rate of 21,388 as at 31 December 2014 and 21,765 as at 15 May 2015.

6 Hau Giang Pharmaceutical Joint Stock Company (DHG)

Share register as at 12 March 2015

SCIC	43 per cent.
Foreign investors	49 per cent.
Domestic investors	7 per cent.

Company holding as at 15 May 2015

Number of shares	2,118,327
Total investment value	US\$7.11 million
Average purchase price per share	VND39,994
Percentage holding	2.4 per cent.

Company background

Hau Giang Pharmaceutical (DHG) is one of Vietnam's leading pharmaceutical producers and distributors. Established in 1974 as an SOE, DHG was equitized in 2004 and subsequently listed on the HoSE in 2006. DHG maintains an extensive domestic distribution network throughout all 64 provinces in Vietnam, and has had the largest market share among its local peers for 17 years. The company also exports its products to overseas markets including Jordan, Taiwan, Malaysia and Singapore.

For the year ended 31 December 2014, DHG reported revenues up 9 per cent. year on year of VND3,913 billion (US\$183 million) and profit before tax down 7.5 per cent. year on year of VND722 billion (US\$34 million). As at 15 May 2015, the company's total market capitalization stood at VND6,362 billion (US\$292 million) and its shares traded at 12.08 times trailing earnings and 2.66 times book value.

Sources: DHG 2014 audited reports, Bloomberg. US\$/VND exchange rate of 21,388 as at 31 December 2014 and 21,765 as at 15 May 2015

7 Danang Rubber Joint Stock Company (DRC)

Share register as at 31 December 2014

SCIC	51 per cent.
Foreign investors	31 per cent.
Domestic investors	18 per cent.

Company holding as at 15 May 2015

Number of shares	2,568,370
Total investment value	US\$7.02 million

Share register as at 31 December 2014

Average purchase price per share	VND41,668
Percentage holding	3.1 per cent.

Company background

Danang Rubber (DRC) is the largest tire manufacturers in Vietnam in terms of revenue, focusing on truck tires and off-road tires. DRC is also a leading participant in the growing local radial tire market and built Vietnam's first radial factory, the capacity of which it is currently extending. It sold 115,000 units of radial tires in 2014 and is targeting 240,000 units in 2015. Since its listing on the HoSE in 2006, DRC has achieved consistent revenue and profit growth.

In the year ended 31 December 2014, DRC reported revenues of VND3,251 billion (US\$152 million) and profit before tax of VND508 billion (US\$24 million), year-on-year growth of 16 per cent. and 14 per cent. respectively. As at 15 May 2015, the company's total market capitalization was VND4,943 billion (US\$227 million) and its shares traded at 14.37 times trailing earnings and 3.04 times book value.

Sources: DRC 2014 audited reports, Bloomberg. US\$/VND exchange rate of 21,388 as at 31 December 2014 and 21,765 as at 15 May 2015.

8 FPT Corporation (FPT)

Shareholding as at 15 January 2015

SCIC	6 per cent.
Foreign investors	49 per cent.
Domestic investors	44 per cent.

Company holding as at 15 May 2015

Number of shares	2,834,750
Total investment value	US\$6.40 million
Average purchase price per share	VND37,784
Percentage holding	0.8 per cent.

Company background

FPT Corporation (FPT) is the largest IT company in Vietnam. Originally founded in 1988 as an SOE, FPT changed its focus to IT in 1990 and has held the leading position in the industry since 1996. It was listed on the HoSE in 2006.

FPT manages a workforce of 6,500 (2013: 4,784) skilled programmers in Vietnam. It also has a complete telecom infrastructure which helps it to increase its competitiveness, reduce lease-line costs and expand into second-tier cities. FPT is also seeing opportunities from Europe, the US, Singapore and, in particular, Japan as an alternative IT outsourcing destination. In 2014, the company acquired RWE IT Slovakia, a member of the German based utilities company RWE Group, its first overseas acquisition.

For the year ended 31 December 2014, FPT reported revenues up 20.8 per cent. year on year of VND32,645 billion (US\$1,526 million) and profit before tax down 1.8 per cent. year on year of

VND2,512 billion (US\$117 million). As at 15 May 2015, the company's total market capitalization stood at VND16,885 billion (US\$776 million) and its shares traded at 9.98 times trailing earnings and 2.01 times book value.

Sources: FPT 2013 & 2014 audited reports, Bloomberg. US\$/VND exchange rate of at 21,388 as at 31 December 2014 and 21,765 as at 15 May 2015.

9 Hung Vuong Corporation (HVG)

Share register as at 15 January 2015

Foreign investors	11 per cent.
Domestic investors	89 per cent.

Company holding as at 15 May 2015

Number of shares	7,452,547
Total investment value	US\$5.86 million
Average purchase price per share	VND14,530
Percentage holding	3.9 per cent.

Company background

Hung Vuong (HVG) is the largest exporter of frozen pangasius fish in Vietnam in terms of revenues. The company started as a private company, was equitized in 2007 and listed on the HoSE in 2009. The company's key product is frozen pangasius fillets. Export markets includes Europe, Russia, Brazil, Mexico, Australia, the US, the Middle East, and Asia. HVG has an integrated production process including fish hatchery, feed manufacturing, farming, processing, cold storage warehousing, and export.

For the year ended 31 December 2014, HVG's revenues were VND14,903 billion (US\$669 million) and its profit before tax was VND501 billion (US\$23 million), year on year increases of 35 per cent. and 72 per cent. respectively. As at 15 May 2015, the company's total market capitalisation was VND3,235 billion (US\$149 million) and its shares traded at 7.56 times trailing earnings and 1.21 times book value.

Sources: HVG 2014 audited reports, Bloomberg. US\$/VND exchange rate of 21,388 as at 31 December 2014 and 21,765 as at 15 May 2015.

10 Thien Long Group (TLG)

Share register as at 9 January 2015

Foreign investors	20 per cent.
Domestic investors	80 per cent.

Company holding as at 15 May 2015

Number of shares	1,946,201
Total investment value	US\$5.54 million

Average purchase price per share	VND28,472
Percentage holding	7.3 per cent.

Company background

Thien Long Group (TLG), founded in 1981, is the leading producer and distributor of pens and stationeries in Vietnam, with a 60 per cent. share of the pens market and a 30 per cent. share of the office supplies market. The company has strong brand recognition over a distribution network of more than 130 wholesalers and 45,000 points of sale, including in Germany, China, Japan, the US, Thailand, Laos and Cambodia.

For the year ended 31 December 2014, TLG's revenues were VND1,614 billion (US\$76 million) and its profit before tax was VND 191 billion (US\$9 million), year on year increases of 15 per cent. and 16 per cent. respectively. As at 15 May 2015, the company's total market capitalisation was VND1,661 billion (US\$76 million) and its shares traded at 11.86 times trailing earnings and 2.27 times book value.

Sources: TLG 2014 audited reports, Bloomberg. US\$/VND exchange rate of 21,388 as at 31 December 2014 and 21,765 as at 15 May 2015.

Vietnam market update and investment outlook

The Board and the Investment Manager believes that Vietnamese macroeconomic indicators are encouraging.

Real GDP growth in 2014 was 6.0 per cent., the fastest since 2010, and expectations for 2015 and 2016 have been revised upwards to between 6.0 per cent. and 6.5 per cent. The average growth rate for the years 2008 to 2013 was 4.9 per cent (*source: VietCapital*).

Exports in 2014 totalled US\$150 billion, up 13.6 per cent. year on year, and equivalent to 81 per cent of Vietnam's GDP. Since 2013 electronics has replaced textiles as the single biggest industrial category (some 40 per cent. of Samsung's smartphones and 80 per cent. of Intel's computer chips are expected to be assembled in Vietnam in 2015). Imports in 2014 rose 12.5 per cent. to US\$148 billion, keeping the Vietnamese economy in a broad trade balance for the third consecutive year, in contrast to the preceding period of high trade deficits. The overall balance of payments also remained in robust health in 2014 thanks to strong and growing inward remittances of US\$12 billion (up 9 per cent. year on year) and disbursed inward foreign direct investment of US\$12.5 billion (also up 9 per cent. year on year). Accumulated foreign exchange reserves stood at an estimated US\$40 billion at the end of 2014, over three times the 2010 level (*sources: VietCapital*).

This healthy trade and balance of payments position, together with an increased rigour in monetary policy by the State Bank of Vietnam (primarily exhibited by a reduction in banking system loan growth from 33 per cent. per annum over the 2000 to 2010 period to approximately 10-15 per cent. per annum (with occasional increases and reductions) over the past three years), has made for a period of stability for the Dong since the last major (7 per cent.) devaluation in February 2011. The Dong has only depreciated by 3.1 per cent. against the US Dollar since March 2011, by 1.9 per cent. since January 2014, and by 0.6 per cent. since January 2015 (*source: Bloomberg*). Looking forward, potential interest rate increases by the US Federal Reserve could present renewed challenges for the Dong against the Dollar, although cost competitiveness in Vietnam's key export sectors has proven to be strong enough in recent years to withstand a rising real exchange rate.

Allied with powerful global trends, the above factors have combined to create a period of falling and generally low inflation and interest rates in Vietnam which, the Board and the Investment Manager believe, has still further to run.

This strong, stable, and improving macroeconomic environment creates a good backdrop for a rising stock market. Vietnamese equities have been on a general long-term rising trend since January 2012. Lower interest rates (the main central bank policy rates are now 4.5 per cent. and 6.5 per cent, and most bank lending rates in the range of 8-10 per cent.) (*sources: SBV*) and lower inflation (less than 1

per cent. in recent months) have been the cornerstone of this supportive backdrop but they now appear to have been joined by a clearly discernible acceleration in economic activity in Vietnam - including in retail sales, industrial production, infrastructure investing, and inward investment. In the Board's and the Investment Manager's opinion, examples of this include:

- real retail sales figures growing 10.7 per cent. in the first two months of 2015 in contrast to circa 5 per cent. annual growth experienced between 2011 and 2014 (*source: VietCapital*);
- automobile unit sales beginning to show consistently strong double digit percentage annual growth;
- an increasingly apparent revival in the Vietnamese property sector following a deep decline in both prices and activity levels between 2008 and 2013, with transaction volumes up by over 50 per cent. in Ho Chi Minh City and Hanoi combined. Reforms to be implemented in July 2015 will ease restrictions on the property market for foreigners, and the government continues to provide additional support in the form of interest rate subsidies for low and mid-segment residential buyers;
- recent falls in global oil prices having had a net positive effect on the Vietnam economy, with the positive impact on consumers and businesses outstripping the modestly negative effect on the government's budget. In 2014 the government budget remained in deficit, at 5.45 per cent. of GDP (*source: Bloomberg*). The 2015 target deficit is 5 per cent. of GDP.

Looking forward, the Board and the Investment Manager would highlight two issues. Firstly, the progress of two major free trade agreements, one with the European Union and one, perhaps more importantly, with the US-led Trans-Pacific Partnership, which noticeably - and helpfully for Vietnam - excludes China. If the latter reaches a successful conclusion, its long term structural importance to the Vietnamese economy could be profoundly positive. In addition, 2015 is the official starting year of the ASEAN Economic Community for free trade (with exceptions) within the regional block of member nations.

The second issue the Board and the Investment Manager would highlight is Vietnam's five-yearly Communist Party Congress, at which new leadership will be appointed. The Board and the Investment Manager are of the opinion that it will be of great interest to investors to assess the reform credentials of this new leadership, since - particularly with regard to its state owned enterprise and banking sectors - economic reform in Vietnam remains incomplete.

Whilst investors invest in companies rather than macroeconomics, the above considerations should, in aggregate, provide a supportive backdrop for listed Vietnamese companies to grow their earnings per share and share prices. Valuation metrics (in particular price to earnings ratios), still have a lot potential for capital growth and Vietnam's aggregate stock market valuations remain at the low end of the regional market and global averages.

As a result of the above, the Board and the Investment Manager believe that conditions for investing in Vietnamese equities are favourable.

PART IV

OPERATING AND FINANCIAL REVIEW AND OTHER FINANCIAL INFORMATION

1 Business overview

The Company is a closed-end investment company that was incorporated in the Cayman Islands on 20 April 2006 as an exempted company with limited liability with number CD-166182. The Shares have been admitted to trading on AIM since 15 June 2006 and the Company has maintained a secondary quotation on the Entry Standard since 20 October 2008. The Company has an unlimited life with a continuation vote scheduled for the annual general meeting in 2018.

The Company's investment objective is to deliver sustainable medium to long-term capital appreciation of its assets by investing in a portfolio of equity securities consisting of listed and non-listed Vietnamese companies. The Investment Manager attempts to assist the Company to achieve these investment objectives by applying a fundamental research driven approach to identifying undervalued companies with strong prospects for future growth. Environmental, social and corporate governance factors are incorporated into the Investment Manger's investment analysis and decision making process.

2 Selected financial information

The following summarises the performance of the Company over the three years and six months ended 31 December 2014. Unless otherwise stated, the following financial information has been extracted without material adjustment from the audited financial information of the Company as at and for the financial years ended 30 June 2012, 30 June 2013 and 30 June 2014 and the unaudited interim financial information of the Company as at and for the six months periods ended 31 December 2013 and 31 December 2014 (the **Historical Financial Information**). The Historical Financial Information is included in Part V of this document. Shareholders should read the whole document and not rely solely on the key or summarised information.

Net Assets

	As at 31 December 2014	As at 30 June		
	2014	2014	2013	2012
	US\$'000	US\$'000	US\$'000	US\$'000
Cash and cash equivalents	4,105	2,460	2,672	3,070
Investments in securities at fair value	117,301	118,526	83,939	66,709
Other assets	3,671	1,319	1,700	217
Total assets	125,077	122,305	88,311	69,996
Share capital and other reserves	116,365	120,094	109,508	110,484
Retained earnings	8,104	392	(22,239)	(40,988)
Net Assets attributable to Shareholders	124,469	120,486	87,269	69,496

	As at 31 December 2014	As at 30 June		
		2014	2013	2012
	US\$'000	US\$'000	US\$'000	US\$'000
NAV per Share (US\$)	2.059	1.921	1.648	1.295

Profit and Loss

	Year ended 30 June		
	2014	2013	2012
	US\$'000	US\$'000	US\$'000
Dividend income from equity securities	4,087	4,043	4,308
Net gain / (loss) from equity securities at fair value through profit and loss	23,123	17,446	7,220
Net foreign exchange gain / (loss)	(17)	(31)	(56)
Net investment income	27,194	21,457	11,471
Investment management fees	2,142	1,466	1,290
Incentive fees	954	-	-
Directors fees and expenses	296	215	256
Publicity and investor relations fees	267	278	233
Administrative expenses	229	177	227
Advisory fees	149	163	146
Custodian fees	142	76	101
Other operating expenses	383	334	298
Total operating expenses	4,562	2,709	2,551
Change in net assets attributable to shareholders	22,632	18,748	8,920

	6 months ended 31 December	
	2014	2013
	US\$'000	US\$'000
Dividend income from equity securities	1,715	1,670

	6 months ended 31 December	
	2014	2013
	US\$'000	US\$'000
Net gain / (loss) from equity securities at fair value through profit and loss	8,026	11,796
Net foreign exchange gain / (loss)	(46)	(9)
Net investment income	9,695	13,457
Investment management fees	1,239	958
Incentive fees	-	-
Directors fees and expenses	135	135
Publicity and investor relations fees	147	158
Administrative expenses	114	108
Advisory fees	91	75
Custodian fees	63	88
Other operating expenses	195	226
Total operating expenses	1,984	1,748
Change in net assets attributable to shareholders	7,712	11,709

Key Performance Indicators

The Board uses a number of financial and non-financial indicators to review and monitor the Company's performance. The key performance indicators are set out below:

	6 months ended 31 December 2014	30 June 2014	Year ended 30 June 2013	30 June 2012
	%	%	%	%
Growth in NAV per Share over period	7.2	16.6	27.3	15.4
Movement in VNAS (US\$ adjusted)	(0.2)	16.2	6.8	8.8
Movement in VNI (US\$ adjusted)	(5.6)	19.6	12.3	(2.2)
Increase in Share price over period	15.9	17.9	17.3	37.3

Share price discount to NAV at period end	17.7	23.9	24.8	18.3
Total expense ratio	3.3	3.2	3.6	3.9

3 Key factors affecting the Company's financial performance and results

Set out below is a review of the key factors which affected the financial performance and results of the Company for the financial years ended 30 June 2012, 30 June 2013 and 30 June 2014 and for the six month period ended 31 December 2014:

Financial year ended 30 June 2012 (FY 2012)

During FY 2012 Vietnam's policy makers gradually regained control over the economy, following a period of poor performance. Inflation returned to manageable levels, the Vietnamese Dong held relatively stable against major currencies, and the trade deficit lessened considerably (*source: VietCapital*). At 30 June 2012, the Dong was trading at 20,905 against the US Dollar, a modest 1.0 per cent. decline over FY 2012 (*source: Bloomberg*).

Over the first half of FY 2012, the VNI was one of Asia's best performing equity indices. However, as at 30 June 2012, the VNI was down by 2.4 per cent. year-on-year (*source: Bloomberg*).

As at 30 June 2012, the Company held equity investments in 29 Vietnamese companies with an aggregate value of US\$67.7 million, comprising 96.1 per cent. of the then Net Asset Value (30 June 2011: 30 equity investments with an aggregate value of US\$60.6 million or 96.6 per cent. of the then Net Asset Value). On 30 June 2012, 87.2 per cent. of the Company's portfolio was listed (30 Jun 2011: 83.0 per cent.).

The increase in the value of the Company's equity investments resulted mainly from a US\$9.0 million increase in the value of its Food and Beverage sector investments. During FY 2012, two new Food and Beverage sector investments were made, Dabaco Corporation and Hung Vong Corporation, which, together with existing Investee Company Vietnam Dairy Products JSC, accounted for an aggregate sector value of US\$15.6 million at 30 June 2012.

A US\$1.2 million decrease in the value of the Company's Personal & Household Goods sector investments was mainly due to full divestment of investments in Rang Dong Light Source, Vacuum Flask JSC and Truong Thanh Furniture Corporation for an aggregate consideration of US\$1.1 million.

Net Asset Value increased 12.4 per cent. over FY 2012 to US\$70.5 million at 30 June 2012 (30 June 2011: US\$62.7 million). The increase was mainly attributable to the increase in the value of new investments made during the year, such as Dabaco Corporation (with a share price increase of 74.8 per cent.), Hung Vuong Corporation (with a share price increase of 89.1 per cent.) and Japan Vietnam Medical Instruments JSC (with a share price increase of 53.8 per cent).

Dividend income in FY 2012 increased from US\$2.5 million to US\$4.3 million.

On 21 May 2012, the Company issued a prospectus in connection with the 2012 Warrant Issue. A total of 18,194,037 2012 Warrants with an exercise price of US\$1.196 were issued and admitted to trading on AIM on 29 May 2012. The exercise date of the 2012 Warrants was initially set as 13 December 2012, although this was later extended to an additional two exercise dates, on 25 April 2013 and 25 September 2013.

During FY 2012, the Company repurchased and held in treasury an aggregate of 1,324,750 Shares for a total cost of US\$1.1 million.

Financial year ended 30 June 2013 (FY 2013)

In the second half of calendar 2012, the economy grew by 5.03 per cent, and by 4.9 per cent. in the first half of calendar 2013 (*source: GSO*). After retreating for much of the second half of calendar 2012, the Vietnamese equity markets rallied strongly in December 2012 and January 2013, with further, more modest, gains in March 2013 and May 2013. As a result, the VNI increased by 13.9 per cent. over FY 2013 (*source: Bloomberg*).

As at 30 June 2013, the Company held equity investments in 25 Vietnamese companies with an aggregate value of US\$84.9 million, representing 96.2 per cent. of the then Net Asset Value. On 30 June 2013, 90.7 per cent. of the Investee Companies were listed.

During FY 2013, total cash received from the sale of investments was equal to the total cash invested in new investments. Over FY 2013 the value of the Company's equity portfolio and the NAV increased by 25.8 per cent. and 25.6 per cent. respectively.

Over FY 2013, the major changes in the value of the Company's investment portfolio were as a result of:

- (1) the value of the Construction and Material sector investments (including Binh Minh Plastic JSC, Hoa Binh Construction and Real Estate Corporation and Tien Phong JSC) growing by 82. per cent. The value of the investment in Binh Minh Plastic JSC alone increased by 97.5 per cent. with the value of the position in Hoa Binh Construction and Real Estate Corporation increasing by more than 7.5 times; and
- (2) the value of the Health Care sector investments growing by 72.2 per cent.

On 13 December 2012 and 25 April 2013, 32,930 and 221,750 of the 2012 Warrants were exercised and the corresponding number of new Shares issued. The cash proceeds from the exercise of these 2012 Warrants amounted to US\$0.3 million.

As at 30 June 2013, 87.1 per cent. of the NAV was invested in listed shares and similar investments, with 9.1 per cent. of NAV invested in unlisted shares.

Dividend income over FY 2013 was US\$4.0 million (FY 2012: US\$4.3 million).

During FY 2013 the Company repurchased and held in treasury 1,141,381 Shares at a total cost of US\$1.2 million.

Financial year ended 30 June 2014 (FY 2014)

FY 2014 saw a sustained improvement in Vietnam's macro-economic profile and corporate sector performance, some of which was reflected in the gains displayed by the equity market. In the first half of calendar 2014, the VNAS rose by 9.0 per cent. and by 16.3 per cent. over FY 2014 as a whole (*source: Bloomberg*).

The placement of a Chinese offshore oil rig near the Paracel Islands in the South China Sea in early May 2014 increased tensions with China and tempered a relatively strong performance of the Vietnam Stock Exchanges in the first four months of 2014. However, numerous foreign institutions saw this as a buying opportunity and increased their positions in various Vietnamese stocks. As a consequence, there was a market rally in mid-May 2014 that allowed the equity indices to recoup most of the losses incurred during the earlier correction. The rig was subsequently withdrawn in July 2014.

On 25 September 2013 and 9 October 2013, 10,249,781 and 2,450,667 of the 2012 Warrants were exercised and the corresponding numbers of new Shares issued. The cash received from the exercise of these 2012 Warrants (US\$15.2million) was deployed in October and November 2013.

During this period, the Company increased its investment in the Construction and Materials and the Automobile and Parts sectors.

As at 30 June 2014, the Company held equity investments in 26 Vietnamese companies, all of which were listed, with an aggregate value of US\$118.5 million, comprising 98.4 per cent. of the then Net Asset Value.

Dividend income in FY 2014 rose marginally to US\$4.1 million (FY 2013: US\$4.0 million). Total operating expenses in FY 2014 increased by 70 per cent., predominantly as a result of the fees payable to the Investment Manager, including a US\$1.0 million incentive fee (FY 2013: nil) payable as a result of the performance of the Company's portfolio.

As part of its efforts to reduce the Share price discount to NAV per Share, the Company accelerated its share buy-back program during FY 2014. The Company's authority to repurchase Shares was renewed at its Annual General Meeting in September 2013 and it repurchased 3,508,834 Shares during the period at a cost of US\$4.6 million. All of the repurchased Shares were placed in treasury. Once adjusted for the accretion impact generated by the Company's share buy-back efforts, the NAV per Share rose 22.6 per cent. during FY 2014.

Interim Period ended 31 December 2014 (HY 2015)

During the 2014 calendar year, Vietnamese GDP growth was 6.0 per cent., the Dong lost just 1.3 per cent. of its value against the US Dollar, credit growth rose by 12.6 per cent., Vietnam registered a positive trade surplus of around US\$2.0 billion, foreign exchange reserves rose and there was a net positive position on the balance of payment (*source: GSO*). The Purchasing Managers' Index in December 2014 was 52.7 (indicating a positive growth rate) and inflation was running at 1.8 per cent.

In July 2014, Moody's raised Vietnam's overall credit rating from B2 to B1, with a stable outlook, citing improved macro-economic stability, a strengthened balance of payments position and a perceived reduction in banking sector risks.

The significant drop in global oil prices, which began in the second half of 2014, triggered a reversal of the strong returns achieved by the oil and gas sector during the early part of the year. However, as Vietnam is a net importer of refined oil products, the Investment Manager is of the opinion that lower fuel prices will not only help to keep inflation in check, but will also boost Vietnamese business.

The NAV per Share increased by 7.2 per cent over HY 2015, against a 5.6 per cent decline in the VNI.

There was no significant change in the Company's portfolio during HY 2015. Construction and Materials, Food and Beverage, Health Care and Industrial Goods and Services remained the four main sectors in the Company's investment strategy, with an average position in each sector of US\$17.0 million at 31 December 2014.

In September 2014, in accordance with the Investment Management Agreement, the Company made a payment of US\$1.0 million to the Investment Manager as an incentive fee for the year ended 30 June 2014. Cash balances as at 31 December 2014 were at US\$4.1 million (30 June 2014: US\$2.5 million).

During HY 2015, the Company repurchased 2,265,491 Shares at a cost of US\$3.7 million, all of which were held in treasury.

4 Material developments since 31 December 2014

Vietnam's equity market indices have fallen slightly since the beginning of 2015 at the time of writing (*source: Bloomberg*). As at 15 May 2015 (the latest practicable date prior to the

publication of this document) the VNI was at 537.44 a 1.5 per cent decrease from the 545.6 level as at 31 December 2014.

In the Company's view, this decrease has been driven mainly by domestic investors' sentiment, itself inspired by the following elements:

- 1) Exchange Traded Funds taking out US\$7 million from the market during the first quarter of 2015, influencing investor perception even though this outflow was compensated by inflows generated by other foreign investors (*source: VietCapital*); and
- 2) the anticipated impact of lower international oil prices on oil and gas related companies in Vietnam. Whilst lower oil prices are generally perceived as positive for the Vietnamese economy, the weighting of energy related companies on the Vietnam Stock Exchanges indices contributed to this negative sentiment.

The Investment Manager has observed, however, that investor sentiment has recently started to improve, positively impacting the indices performance. This is a reflection of accelerating GDP growth, the trade account remaining broadly balanced, inflation remaining low, domestic consumption gradually improving and an achievable target for Dong depreciation. Foreign Direct Investment disbursements remain strong, up 7 per cent. year-on-year in the first two months of 2015 (*source: GSO*).

In this context, the Company kept investing actively, either increasing/decreasing its stakes in existing Investee Companies or acquiring stakes in new targets. Equity investments represented 93.1 per cent. of NAV as at 15 May 2015, a decrease from the 94.2 per cent. as at 31 December 2014.

5 Capitalisation and indebtedness

Unless indicated otherwise, the figures are stated below have been extracted from the Company's audited and unaudited accounting records.

Capitalisation and indebtedness

	31 December 2014	30 June 2014
	(unaudited)	(audited)
	US\$'000	US\$'000
Shareholders' equity		
Share capital	126,128	126,128
Legal reserves	-	-
Other reserves	(9,763)	(6,034)
Total	116,365	120,094

Capital and reserves do not include the profit and loss reserve.

As at 15 May 2015 (being the latest practicable date prior to the publication of this document), there had been no material change in the capitalisation of the Company since 31 December 2014 (being the last date in respect of which the Company has published unaudited financial information) save that since 31 December 2014 the Company has purchased a total of 586,794 Shares, to be held in treasury.

As at 31 December 2014, the Company did not have any borrowings or outstanding indebtedness.

Net indebtedness

The following table shows the Company's unaudited net indebtedness as at 30 April 2015:

		30 April 2015
		(unaudited)
		US\$'000
A	Cash	2,506
B	Cash equivalent	-
C	Trading securities	-
D	Liquidity (A+B+C)	2,506
E	Current financial receivable	-
F	Current bank debt	-
G	Current portion of non-current bank debt	-
H	Other current financial debt	-
I	Current financial debt (F+G+H)	-
J	Net current financial indebtedness (I-E-D)	(2,506)
K	Non-current bank loans	-
L	Bonds issued	-
M	Other non-current loans	-
N	Non-current financial indebtedness (K+L+M)	-
O	Net financial indebtedness (J+N)	(2,506)

As at 30 April 2015, the Company had no contingent indebtedness.

6 Working Capital

In the Company's opinion, the Company has sufficient working capital for its present requirements, that is, for at least the 12 months following the date of this document.

The Directors are of the opinion that, having made due and careful enquiry, the working capital available to the Company will be sufficient for its present requirements, that is, for at least 12 months from the date of Admission.

7 Impact of the Bonus Issue

Save for the associated costs, the issue of the Warrants itself has no material impact on the Company's assets, earnings or liabilities.

Whilst there is no guarantee that any of the Warrants will be exercised, if Warrants are exercised, the total assets of the Company will increase by the number of new Shares that are issued on such exercise multiplied by the Exercise Price. If all of the Warrants are exercised, this will result in gross proceeds of approximately US\$39.92 million being received by the Company by the Final Exercise Date of 1 June 2017. Any proceeds raised on the exercise of the Warrants will be invested in accordance with the Investing Policy.

It is not expected that there will be any material impact on the earnings and liabilities per Share as a result of any exercise of the Warrants. Prior to fully investing the additional capital resulting from such exercise in accordance with the investment objective and policy of the Company, the proceeds may initially be invested in interest bearing liquid financial instruments, such as bonds issued by the Vietnamese government. As the number of Shares in circulation is expected to increase after the exercise of the Warrants, the Company's total expenses per Share is likely to decline, contributing positively to its earnings per share.

PART V
FINANCIAL INFORMATION RELATING TO THE COMPANY

1. Statutory accounts of the Company for the three financial years ended 30 June 2014, 30 June 2013 and 30 June 2012

The financial statements of the Company for the three financial years ended 30 June 2014, 30 June 2013 and 30 June 2012 and the auditors' report for each such year, which have been extracted without material adjustment from the statutory accounts of the Company, are set out on pages 71 to 133 of this document.

The auditors of the Company for the three financial years ended 30 June 2014, 30 June 2013 and 30 June 2012 were KPMG LLP of 16 Raffles Quay #22-00, Hong Leong Building, Singapore 048581. The Auditors were appointed by the Company on 19 March 2012 and replaced KPMG Audit S.à.r.l. 31, Allée Scheffer L-2520 Luxembourg who are a "cabinet de révision agréé" and member of the "institut des réviseurs d'entreprises (IRE)" in Luxembourg.

Statutory accounts of the Company for the three financial years ended 30 June 2012, 30 June 2013 and 30 June 2014, in respect of which the Company's auditors at the time, KPMG LLP, have given unqualified opinions that the accounts give a true and fair view of the state of affairs of the Company and of its total return and cash flows for each of the three relevant financial years and have been properly prepared in accordance with IFRS.

Financial Statements for the year ended 30 June 2014 and the auditor's report thereon

To the Shareholders of
VietNam Holding Limited
c/o Card Corporate Services Ltd.
Fourth Floor, Zephyr House
Mary Street
PO Box 709 GT
Grand Cayman
KY1-1107, Cayman Islands

INDEPENDENT AUDITORS' REPORT

Report on the financial statements

We have audited the accompanying financial statements on pages 73 to 92 of VietNam Holding Limited ("the Company"), which comprise the statement of financial position as at 30 June 2014, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2014, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

KPMG LLP
*Public Accountants and
Chartered Accountants*

Singapore
21 August 2014

Statement of Financial Position as at 30 June 2014

	Note	2014 USD	2013 USD
Assets			
Cash and cash equivalents		2,459,814	2,671,910
Investments in securities at fair value	3	118,526,227	83,939,007
Accrued dividends		625,811	374,108
Receivables on sale of investments		693,059	1,326,054
Total assets		122,304,911	88,311,079
Equity			
Share capital	5	120,094,331	109,507,940
Retained earnings		392,362	(22,239,418)
Total equity		120,486,693	87,268,522
Liabilities			
Payables on purchase of investments		605,360	705,228
Accrued expenses		1,212,858	337,329
Total liabilities		1,818,218	1,042,557
Total equity and liabilities		122,304,911	88,311,079
Total equity represented by:			
Net assets attributable to shareholders (last traded prices)		120,486,693	88,198,156
Adjustment from last traded prices to bid – market prices		–	(929,634)
Net assets attributable to shareholders (bid – market prices)	6	120,486,693	87,268,522

The net asset value per share based on last traded prices was USD1.921 as at 30 June 2014 (2013: USD1.648) calculated as per the prospectus, and the net asset value per share calculated as per IFRS, USD1.921 as at 30 June 2014 (2013: USD1.630). This is based on 62,722,025 shares outstanding (2013: 53,530,411).

The financial statements on pages 73 to 92 were approved by the Board of Directors on 22 August 2014 and were signed on its behalf by

Min-Hwa Hu Kupfer
Chairperson of the Board of Directors

Nguyen Quoc Khanh
Chairman of the Audit Committee

Statement of Comprehensive Income for the year ended 30 June 2014

	Note	2014	2013
		USD	USD
Dividend income from equity securities at fair value through profit or loss		4,087,013	4,043,206
Net gain from equity securities at fair value through profit or loss	7	23,123,195	17,445,739
Net foreign exchange loss		(16,647)	(31,491)
Net investment income		27,193,561	21,457,454
Investment management fees	8	2,142,403	1,465,670
Incentive fees	8	954,449	–
Advisory fees		149,834	163,327
Administration and accounting fees	10	95,281	83,250
Custodian fees	9	141,827	76,159
Directors' fees and expenses	8	296,238	214,511
Brokerage fees		56,571	62,000
Audit fees		42,334	43,667
Publicity and investor relations fees		267,344	278,082
Insurance costs		45,000	50,000
Administrative expenses		229,240	177,145
Risk management expenses		100,000	60,000
Technical assistance for investee companies		41,260	35,000
Total operating expenses		4,561,781	2,708,811
Change in net assets attributable to shareholders		22,631,780	18,748,643
Earnings per share – basic and diluted	14	0.37	0.35

Statement of Changes in Equity for the year ended 30 June 2014

	Share capital	Reserve for own shares	Retained earnings	Total
	USD	USD	USD	USD
Balance at 1 July 2012	110,660,392	(176,302)	(40,988,061)	69,496,029
Total comprehensive income for the year				
Change in net assets attributable to shareholders	–	–	18,748,643	18,748,643
Total comprehensive income	–	–	18,748,643	18,748,643
Contributions and distributions				
Issuance of ordinary shares	304,598	–	–	304,598
Repurchase of own shares (note 5)	–	(1,259,873)	–	(1,259,873)
Warrants issuance cost	(20,875)	–	–	(20,875)
Total contributions and distributions	283,723	(1,259,873)	–	(976,150)
Balance at 30 June 2013	110,944,115	(1,436,175)	(22,239,418)	87,268,522
Balance at 1 July 2013	110,944,115	(1,436,175)	(22,239,418)	87,268,522
Total comprehensive income for the year				
Change in net assets attributable to shareholders	–	–	22,631,780	22,631,780
Total comprehensive income	–	–	22,631,780	22,631,780
Contributions and distributions				
Issuance of ordinary shares	15,189,736	–	–	15,189,736
Repurchase of own shares (note 5)	–	(4,597,450)	–	(4,597,450)
Warrants issuance cost	(5,895)	–	–	(5,895)
Total contributions and distributions	15,183,841	(4,597,450)	–	10,586,391
Balance at 30 June 2014	126,127,956	(6,033,625)	392,362	120,486,693

Statement of Cash Flows for the year ended 30 June 2014

	Note	2014 USD	2013 USD
Cash flows from operating activities			
Change in net assets attributable to shareholders		22,631,780	18,748,643
Adjustments to reconcile change in net assets attributable to shareholders to net cash from operating activities:			
Dividend income		(4,087,013)	(4,043,206)
Net gain from equity securities at fair value through profit or loss		(23,123,195)	(17,445,739)
Purchase of investments		(38,903,628)	(15,961,424)
Proceeds from sale of investments		27,339,735	15,491,926
Net foreign exchange loss		16,647	31,491
Decrease in receivables on sale of investments		632,995	73,695
Increase/(Decrease) in accrued expenses		875,529	(98,483)
Dividends received		3,835,310	3,812,516
Net cash from operating activities		(10,781,840)	609,419
Cash flows from financing activities			
Issuance of ordinary shares		15,189,736	304,598
Repurchase of own shares	5	(4,597,450)	(1,259,873)
Warrants issuance cost		(5,895)	(20,875)
Net cash from/(used in) financing activities		10,586,391	(976,150)
Net decrease in cash and cash equivalents		(195,449)	(366,731)
Cash and cash equivalents at beginning of the year		2,671,910	3,070,132
Effect of exchange rate fluctuations on cash held		(16,647)	(31,491)
Cash and cash equivalents at end of the year		2,459,814	2,671,910

Notes to the financial statements for the year ended 30 June 2014

1 THE COMPANY

VietNam Holding Limited ("VNH" or "the Company") is a closed-end investment holding company incorporated on 20 April 2006 as an exempted company under the Companies Law in the Cayman Islands and commenced its operations on 15 June 2006, to invest principally in securities of former State-owned Entities ("SOEs") in Vietnam, prior to, at or after the time such securities become listed on the Vietnam Stock Exchanges, including the initial privatisation of the SOEs. The Company may also invest in the securities of private companies in Vietnam, whether Vietnamese or foreign owned, and the securities of foreign companies if a significant portion of their assets are held or operations are in Vietnam.

The investment objective of the Company is to achieve long-term capital appreciation by investing in a diversified portfolio of companies that have high growth potential at an attractive valuation.

During the Annual General Meeting in September 2013 shareholders voted in favour of the continuance resolution, authorizing Vietnam Holding to operate in its current form through the 2016 General Meeting when a similar resolution will be put forward for shareholders' approval.

VietNam Holding Asset Management Limited ("VNHAM") has been appointed as the Company's Investment Manager and is responsible for the day-to-day management of the Company's investment portfolio in accordance with the Company's investment policies, objectives and restrictions.

Standard Chartered Bank, Singapore Branch and Standard Chartered Bank (Vietnam) Limited are the custodian and the sub-custodian respectively. Standard Chartered Bank, Singapore Branch is also the administrator.

The registered office of the Company is CARD Corporate Services Ltd., Fourth Floor, Zephyr House, 122 Mary Street, PO Box 709 GT, Grand Cayman, KY1-1107, Cayman Islands.

2 PRINCIPAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (**IFRSs**) as adopted by the European Union.

(b) Basis of preparation

The financial statements are presented in United States dollars ("USD"), which is the Company's functional currency. They are prepared on a fair value basis for financial assets and financial liabilities at fair value through profit or loss. Other assets and liabilities are stated at amortised cost.

The Company's shares were issued in USD and the listings of the shares on the AIM market of the London Stock Exchange and the Entry Standard of the Frankfurt Stock Exchange are in USD and Euro, respectively. The performance of the Company is measured and reported to the investors in USD, although the primary activity of the Company is to invest in the Vietnamese market. The Board considers the USD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in USD, which is the Company's functional currency.

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense. The estimates

and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimated and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. The Company is engaged in a single segment of business, being investment in Vietnam. The Board, as a whole, has been determined as constituting the chief operating decision maker of the Company. The key measure of performance used by the Board to assess the Company's performance and to allocate resources is the total return on the Company's NAV calculated as per the prospectus. Therefore a reconciliation between the measure of NAV used by the Board and that contained in these financial statements has been provided in a footnote to the statement of financial position.

(c) Changes in accounting policies

Except for the changes below, the Company has consistently applied the accounting policies as set out in Note 2 (d) to (l) to all periods presented in these financial statements.

The Company has adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 July 2013.

(a) IFRS 13 Fair Value Measurement;

In accordance with the transitional provisions of IFRS 13, the Company has applied the new definition of fair value, as set out in Note 2(e)(iv), prospectively.

As a result, the Company has changed the valuation approach for financial assets and financial liabilities measured at fair value for which a quoted price in an active market is available. Management concluded that last traded prices for such instruments are representative of fair value and generally to use last traded prices for such instruments. In 2013, such financial assets were measured at bid price and such financial liabilities at asking price. The change in accounting policy did not have a significant impact on the measurement of the Company's assets and liabilities.

The Company has included new disclosures in the financial statements, which are required under IFRS 13. These new disclosure requirements are not included in the comparative information.

However, to the extent that disclosures were required by other standards before the effective date of IFRS 13, the Company has provided the relevant comparative disclosures under those standards.

(d) Foreign currency translation

Transactions in foreign currencies other than the functional currency are translated at the rate ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated to USD at the rates ruling on the year-end date. Foreign currency exchange differences arising on translation and realised gains and losses on disposals or settlements of monetary assets and liabilities are included in the

statement of comprehensive income. Foreign currency exchange differences relating to financial instruments at fair value through profit or loss are included in the realised and unrealised gains and losses on those investments. All other foreign currency exchange differences relating to other monetary items, including cash and cash equivalents, are included in net foreign exchange gains and losses in the statement of comprehensive income.

(e) Financial instruments

(i) Classification

The Company designates all its investments as financial assets at fair value through profit or loss category. Financial instruments are designated at fair value through profit or loss upon initial recognition. These include financial assets that are not held for trading purposes and which may be sold. These are investments in exchange-traded equity instruments and unlisted equity instruments.

Financial assets that are classified as loans and receivables include accrued dividends.

Cash and cash equivalents are measured at amortised cost.

Financial liabilities that are not at fair value through profit or loss include accrued expenses.

(ii) Recognition

Financial assets and liabilities at fair value through profit or loss are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. Other financial assets and liabilities are recognised on the date they are originated.

Financial assets and financial liabilities at fair value through profit or loss are recognised initially at fair value, with transaction costs recognised in profit or loss. Financial assets or financial liabilities not at fair value through profit or loss are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or issue.

(iii) Derecognition

A financial asset is derecognised when the Company no longer has control over the contractual rights that comprise that asset. This occurs when the rights are realised, expire or are surrendered.

Financial assets that are sold are derecognised, and the corresponding receivables from the buyer for the payment are recognised on the trade date, being the date the Company commits to sell the assets.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

(iv) Measurement

Policy applicable from 1 July 2013

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the

Company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company measures instruments quoted in an active market at a bid price.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Company recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

As at 30 June 2014, 1.2% 2013: 9.0%) of the valuations of the net assets of the Company were based on quotes obtained from brokers.

Any increases or decreases in values are recognised in the statement of comprehensive income as an unrealised gain or loss.

Policy applicable before 1 July 2013

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

When available, then the Company measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as 'active' if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

If a market for a financial instrument is not active, then the Company establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if they are available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and option pricing models. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Company, incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument. The Company calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data.

Assets and long positions are measured at a bid price; liabilities and securities sold short are measured at an asking price.

(v) *Gains and losses on subsequent measurement*

Gains and losses arising from a change in the fair value of financial instruments are recognised in the statement of comprehensive income.

(vi) Impairment

Financial assets that are stated at cost or amortised cost are reviewed at each reporting date to determine whether there is objective evidence of impairment. If any such indication exists, an impairment loss is recognised in the statement of comprehensive income as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

If in a subsequent period the amount of an impairment loss recognised on a financial asset carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the impairment is reversed through the statement of comprehensive income.

(vii) Cash and cash equivalents

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

(f) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Company has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis or simultaneously, e.g. through a market clearing mechanism.

(g) Amounts due to/from brokers

Amounts due to/from brokers represent security purchases and sales transactions which are contracted for but not yet delivered at the end of the accounting period.

(h) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effect.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

(i) Taxation

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent

that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

At present, no income, profit, capital, or capital gain taxes are levied in the Cayman Islands, and accordingly, no provision for such taxes has been recorded by the Company in the accompanying financial statements. In the event that such taxes are levied, the Company has received an undertaking from the Governor in Cabinet of the Cayman Islands exempting it from all such taxes for a period of twenty years from 2 May 2006.

The Company is liable to Vietnamese tax of 0.1% (2013: 0.1%) on the sales proceeds of the onshore sale of equity investments. This is included in net gain/(loss) from equity securities at fair value through profit or loss.

(j) Interest income and expense

Interest income and expense is recognised in the statement of comprehensive income using the effective rate method.

Interest income includes the amortisation of any discount or premium on zero coupon bonds, which is taken as income on the basis of yield to redemption, from the date of purchase.

(k) Dividend income

Dividend income is recognised in profit or loss on the date on which the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date on which the shareholders approve the payment of a dividend. Dividend income from equity securities designated as at fair value through profit or loss is recognised in profit or loss in a separate line item.

(l) Fee and commission expense

Fees and commission expenses are recognised in profit or loss as the related services are performed.

3 FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

Financial assets of the Company include investments in securities, cash and cash equivalents and accrued income. Financial liabilities comprise payables on purchase of investments and accrued expenses. Accounting policies for financial assets and liabilities are set out in note 2.

The Company's investment activities expose it to various types of risk that are associated with the financial instruments and the markets in which it invests. The most important types of financial risk to which the Company is exposed are market risk, currency risk, interest rate risk, credit risk and liquidity risk.

Asset allocation is determined by the Company's Investment Manager who manages the distribution of the assets to achieve the investment objectives. Divergence from target asset allocations and the composition of the portfolio is monitored by the Investment Manager.

Market risk

Market risk is the risk that the value of a financial asset will fluctuate as a result of changes in market prices, whether or not those changes are caused by factors specific to the individual asset or factors affecting all assets in the market. The Company is predominately exposed to market risk within its securities purchased in the Vietnamese market.

The overall market positions are monitored continuously by the Investment Manager and at least quarterly by the Board.

The Company's investments in securities are exposed to market risk and are disclosed by the following generic investment types:

	2014		2013	
	Fair value in USD	% of net assets	Fair value in USD	% of net assets
Shares and similar investments – listed	117,131,478	97.22	76,026,001	87.12
Shares and similar investments – unlisted	1,394,749	1.16	7,913,006	09.07
	<hr/> 118,526,227	98.38	<hr/> 83,939,007	96.19

At 30 June 2014, a 5% reduction in the market value of the portfolio would have led to a reduction in NAV and profit or loss of USD5,926,311 (2013: USD4,196,950). A 5% increase in market value would have led to an equal and opposite effect on NAV and profit or loss.

Currency risk

The Company may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency. Consequently, the Company is exposed to risks that the exchange rate of its currency relative to other currencies may change and have an

adverse effect on the value of the Company's assets or liabilities denominated in currencies other than USD.

The Company's net assets are calculated every month based on the most up to date exchange rates while the general economic and foreign currency environment is continuously monitored by the Investment Manager and reviewed by the Board at least once each quarter.

The Company may enter into arrangements to hedge currency risks if such arrangements become desirable and practicable in the future in the interest of efficient portfolio management.

As at 30 June 2014 the Company had the following foreign currency exposures:

	Fair value	
	2014	2013
	USD	USD
Vietnamese Dong	120,036,280	85,981,766
Pound Sterling	11,144	176,749
Swiss Franc	13,350	40,784
Euro	997	947
	120,061,771	86,200,226

At 30 June 2014, a 5% reduction in the value of the Vietnamese Dong, Pound Sterling, Swiss Franc, Euro versus the US Dollar would have led to a reduction in NAV and profit or loss of USD6,001,814 (2013: USD4,299,085), USD557 (2013: USD8,837), USD668 (2013: USD2,039) and USD50 (2013: USD47) respectively. A 5% increase in value would have led to an equal and opposite effect.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The majority of the Company's financial assets are non-interest-bearing. Interest-bearing financial assets and interest-bearing financial liabilities mature or reprice in the short-term, no longer than twelve months. As a result, the Company is subject to limited exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company.

At 30 June 2014, the following financial assets were exposed to credit risk (including settlement risk): cash and cash equivalents, accrued dividend, receivable from sale of investments and other receivables. The total amount of financial assets exposed to credit risk amounted to USD3,778,684 (2013: USD4,372,073).

Substantially all of the assets of the Company are held by the Company's custodian, Standard Chartered Bank, Singapore Branch. Bankruptcy or insolvency of the custodian may cause the Company's rights with respect to cash and securities held by the custodian to be delayed or

limited. The Company monitors its risk by monitoring the credit quality and financial positions of the custodian the Company uses.

Liquidity risk

The Company, a closed-end investment company, invests in companies through listings on the Vietnam Stock Exchanges or on other stock exchanges. There is no guarantee however that the Vietnam Stock Exchanges will provide liquidity for the Company's investments. The Company also invests in equity securities which are not listed on stock exchanges. The Company may have to resell such investments in privately negotiated transactions.

The Company's overall liquidity risks are monitored on at least a quarterly basis by the Board. The Company is a closed-end investment company so shareholders cannot redeem their shares directly from the Company.

4 OPERATING SEGMENTS

Information on gains and losses derived from investments are disclosed in the statement of comprehensive income.

The Company is domiciled in the Cayman Islands. Entity wide disclosures are provided as the Company is engaged in a single segment of business, investing in Vietnam. In presenting information on the basis of geographical segments, segment investments and the corresponding segment net investment income arising thereon are determined based on the country of domicile of the respective investment entities.

All of the Company's investments in securities at fair value are in Vietnam as at 30 June 2014 and 30 June 2013. All of the Company's investment income can be attributed to Vietnam for the years ended 30 June 2014 and 30 June 2013.

5 SHARE CAPITAL

Ordinary shares of USD1 each

The ordinary shares have been created pursuant to the Companies Law in the Cayman Islands. The Company was incorporated with an authorised share capital of USD100,000,000 divided into 100,000,000 ordinary shares of USD1 each. According to the Companies Law and articles of association, the Company may from time to time redeem all or any portion of the shares held by the shareholders upon giving notice of not less than 30 calendar days to the shareholders.

On 6 June 2006, the Board resolved that 56,250,000 ordinary shares would be allotted at a placing price of USD2 per ordinary share. The ISIN number of the ordinary shares is KYG9361X043.

On 23 September 2010, during its annual general meeting, the shareholders approved a Share Repurchase Programme. The approval were renewed on its annual general meetings on 2011, 2012 and 2013.

	2014	2013
	No. of shares	No. of shares
Total shares issued and fully paid (after repurchases and cancellations) at beginning of the period	54,836,792	54,582,112
Shares issued upon exercise of warrants during the period	12,700,448	254,680

	67,537,240	54,836,792
Repurchased and reserved for own shares		
At beginning of the period	(1,306,381)	(165,000)
During the period	(3,508,834)	(1,141,381)
	(4,815,215)	(1,306,381)
Total outstanding ordinary shares with voting rights	62,722,025	53,530,411

As a result, as at 30 June 2014 the Company has 62,722,025 (2013: 53,530,411) ordinary shares with voting rights in issue (excluding the reserve for own shares), and 4,815,215 (2013: 1,306,381) are held as reserve for own shares.

The Company strives to invest the capital raised to meet the Company's investment objectives which are to achieve long term capital appreciation through a diversified portfolio of companies that have high potential in Vietnam. The Company achieves this aim by investing principally in securities of former State-owned Entities ("SOEs") in Vietnam prior to, at or after such securities becoming listed on the Vietnam Stock Exchanges.

The Company does not have any externally imposed capital requirements.

Incremental costs directly attributable to the issue or redemption of ordinary shares are recognised directly in equity as a deduction from the proceeds or part of the acquisition cost.

The Company's general intention is to reinvest the capital received on the sale of investments. However, the Board may from time to time and at its discretion, either use the proceeds of sales of investments to meet the Company's expenses or distribute them to shareholders. Alternatively, the Board of Directors may redeem ordinary shares with such proceeds for shareholders pro rata to their shareholding upon giving notice of not less than 30 calendar days to shareholders (subject always to applicable law) or repurchase ordinary shares at a price not exceeding the last published net asset value per share.

Warrants

On 21 May 2012, the Company issued a prospectus for a bonus issue of warrants to shareholders pro rata, on the basis of one warrant for every three ordinary shares held. The exercise date of these warrants was initially on 13 December 2012 with an exercise price of USD1.196 per share. A total of 18,194,037 warrants were issued and were listed on AIM. Both Shareholders and Warranholders gave their approval to a proposal of extension of the term of the warrants through the addition of two exercise dates, 25 April 2013 and 25 September 2013.

At the reporting date, all warrants were either exercised or expired and no warrants were outstanding (2013: 18,194,037).

On 25 September 2013 and 9 October 2013, 12,700,448 (2013: 221,750) shares were issued following the exercise of subscription rights by holders of the warrants and the remaining 5,238,909 unexercised warrants were lapsed.

6 NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

Reconciliation of net assets

The Company adopted IFRS 13 with effect from 1 July 2013. Under IFRS 13, the Company uses last traded market pricing to determine the fair values of financial assets and financial liabilities quoted in an active market.

For the year ended 30 June 2013, under IAS 39, the Company valued financial assets quoted in an active market at bid prices and financial liabilities quoted in an active market at ask prices. This created a presentation issue because, in accordance with the Company's prospectus, the redemption amounts of the ordinary shares are calculated using the net assets of the Company computed at the last traded prices of the underlying financial instruments.

The table below shows a reconciliation for 2013 of the net assets and net asset value per share between the amounts computed as per the Company's prospectus and the amounts computed in accordance with IFRS. No such reconciliation is required following the adoption of IFRS 13 because last traded prices are used to value financial assets and financial liabilities quoted in an active market and so no reconciliation amount arises.

	2014	2013
	USD	USD
Net assets as per prospectus	120,486,693	88,198,156
Adjustment from last traded prices to bid-market prices	–	(929,634)
Net assets in accordance with IFRS	<u>120,486,693</u>	<u>87,268,522</u>

7 NET GAIN FROM EQUITY SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	2014	2013
	USD	USD
Net gain from equity securities at fair value through profit or loss:		
Realised gain/(loss)	38,415	(7,217,354)
Adjustment to fair value of equity securities at fair value through profit or loss	23,084,780	24,663,093
	<u>23,123,195</u>	<u>17,445,739</u>

8 RELATED PARTY TRANSACTIONS

Investment management fees

During the period the Company's Shareholders approved an amendment to the Investment Management Agreement as detailed in the Company's circular dated 16 August 2013. Pursuant to the amended agreement the Investment Manager is entitled to receive a monthly management fee, paid in the manner set out as below:

- On the amount of the Net Asset Value of the Company up to and including USD100 million, one-twelfth of two per cent.;
- On the amount of the Net Asset Value of the Company above USD100 million up to and including USD150 million, one-twelfth of 1.75 per cent.; and
- On the amount of the Net Asset Value of the Company that exceeds USD150 million, one-twelfth of 1.50 per cent.

The total fees accruing to the Investment Manager for the year to 30 June 2014 were USD2,142,403 (2013: USD1,465,670) as a management fee.

Incentive fees

The Company will pay the Investment Manager an incentive fee equal to 15 per cent of the Excess Performance Amount each year, subject to certain criteria being met. Excess Performance Amount is calculated as follows:

Excess Performance Amount = (Adjusted NAV per share – Initial High Water Mark) x Weighted Average number of shares.

The initial high water mark is calculated as the NAV as at 30 September 2013 increased by 8%. After the initial accounting period (i.e. 30 June 2014), the initial high water mark will be increased by 5% per annum on a compound basis.

The fee is calculated and payable as set out in the Investment Management Agreement Side Letter dated 11 September 2013.

However, the maximum incentive fee that can be earned by and paid to the Investment Manager in respect of any accounting period shall be equal to three per cent of the NAV of the Company at the end of the relevant accounting period.

	2014	2013
	USD	USD
Incentive fee	954,449	–

Directors' fees and expenses

The Board determines the fees payable to each Director, subject to a maximum aggregate amount of USD350,000 per annum being paid to the Board as a whole. The Company also pays reasonable expenses incurred by the Directors in the conduct of the Company's business including travel and other expenses. The Company pays for directors and officers liability insurance coverage.

The charges for the year for the Directors fees were USD170,750 (2013: USD159,500) and expenses were USD125,488 (2013: USD55,011).

Directors' ownership of shares and warrants

As at 30 June 2014, three Directors, Min-Hwa Hu Kupfer, Nguyen Quoc Khanh and Rolf Dubs held 36,667 (2013: 30,000), 10,000 (2013: 10,000) and 30,000 (2013: 20,000) ordinary shares of the Company respectively, representing 0.06% (2013: 0.06%), 0.02% (2013: 0.02%) and 0.05% (2013: 0.04%) of the total shares outstanding.

During the year, Min-Hwa Hu Kupfer and Rolf Dubs exercised 6,667 (2013: nil) and 10,000 (2013: nil) warrants to subscribe ordinary shares, amounting to 16,667 (2013: nil) and 0.13% of the total warrants issued (2013: nil) respectively. No warrants were outstanding as at 30 June 2014.

9 CUSTODIAN FEES

Custodian fees are charged at a minimum of USD12,000 per annum and received as a fee of 0.08% on the assets under administration ("AUA") per annum. Custodian fees comprise safekeeping fees, transaction fees, money transfer fees and other fees. Safekeeping of unlisted securities up to 20 securities is charged at USD12,000 per annum. Transaction fees, money transfers fees and other fees are charged on a transaction basis.

The charges for the year for the Custodian fees were USD141,827 (2013: USD76,159).

10 ADMINISTRATIVE AND ACCOUNTING FEES

The administrator receives a fee of 0.07% per annum for assets under administration ("AUA") less than USD100,000,000; or 0.06% per annum for AUA greater than USD100,000,000 calculated on the basis of the net assets of the Company, subject to an annual minimum amount of USD5,500 per month.

The charges for the year for the Administration and Accounting fees were USD95,281 (2013: USD83,250).

11 CONTROLLING PARTY

The Directors are not aware of any ultimate controlling party as at 30 June 2014 or 30 June 2013.

12 FAIR VALUE INFORMATION

For certain of the Company's financial instruments not carried at fair value, such as cash and cash equivalents, accrued dividends, other receivables, receivables/payable upon sales/purchase of investments and accrued expenses, the amounts approximate fair value due to the immediate or short term nature of these financial instruments.

Other financial instruments are measured at fair value on the statement of comprehensive income.

Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges (for example, London Stock Exchange, Frankfurt Stock Exchange, New York Stock Exchange) and exchange traded derivatives like futures (for example, Nasdaq, S&P 500).
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level includes the majority of the OTC derivative contracts, traded loans and issued

structured debt. The sources of input parameters like LIBOR yield curve or counterparty credit risk are Bloomberg and Reuters.

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible.

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. All fair value measurements below are recurring.

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
2014				
Financial assets designated at fair value upon initial recognition				
Equity investments	117,131,478	–	1,394,749	118,526,227
<hr/>				
2013				
Financial assets designated at fair value upon initial recognition				
Equity investments	76,026,001	–	7,913,006	83,939,007
<hr/>				

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Assessing whether an input is significant requires judgement including consideration of factors specific to the asset or liability. Moreover, if a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that fair value measurement is a Level 3 measurement.

Although the Company believes that its estimates of fair value are appropriate, the use of different assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, if the reasonable possible alternative assumptions were increased/decreased by 10%, the impact on profit/(loss) would be USD139,475 (2013: USD791,301).

Level 3 reconciliation

Financial assets designated at fair value through profit or loss	
2014	2013
USD	USD

	Financial assets designated at fair value through profit or loss	
	2014	2013
	USD	USD
Balance at 1 July	7,913,006	8,695,443
Sales	(10,192,834)	–
Purchases	1,417,353	–
Total gains and losses recognised in profit or loss *	2,257,224	(782,437)
Balance at 30 June	1,394,749	7,913,006

* Total gains or losses recognised in profit or loss for assets and liabilities held at the end of the reporting period, as included in the statement of comprehensive income.

13 CLASSIFICATIONS AND FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The table below provides a breakdown of the line items in the Company's statement of financial position to the categories of financial instruments.

	Note	Designated as at fair value through profit or loss	Loans and receivables	Other liabilities	Total carrying amount
		USD	USD	USD	USD
2014					
Cash and cash equivalents		–	2,459,814	–	2,459,814
Investments in securities at fair value	3	118,526,227	–	–	118,526,227
Accrued dividends		–	625,811	–	625,811
Receivables from sale of investments		–	693,059	–	693,059
		118,526,227	3,778,684	–	122,304,911
Payables on purchase of investments		–	–	605,360	605,360
Accrued expenses		–	–	1,212,858	1,212,858

	Note	Designated as at fair value through profit or loss	Loans and receivables	Other liabilities	Total carrying amount
		USD	USD	USD	USD
		–	–	1,818,218	1,818,218
2013					
Cash and cash equivalents		–	2,671,910	–	2,671,910
Investments in securities at fair value	3	83,939,007	–	–	83,939,007
Accrued dividends		–	374,108	–	374,108
Receivables from sale of investments		–	1,326,054	–	1,326,054
		83,939,007	4,372,072	–	88,311,079
Payables on purchase of investments		–	–	705,228	705,228
Accrued expenses		–	–	337,329	337,329
		–	–	1,042,557	1,042,557

14 EARNINGS PER SHARE

The calculation of earnings per share at 30 June 2014 was based on the change in net assets attributable to ordinary shareholders of USD22,631,780 (2013: USD18,748,643) and the weighted average number of shares outstanding of 60,599,915 (2013: 53,894,886).

15 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2013, and have not been applied in preparing these financial statements. Those that may be relevant to the Company are set out below. The Company does not plan to adopt these standards early.

Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)

The amendments to IAS 32 clarify the offsetting criteria in IAS 32 by explaining when an entity currently has a legally enforceable right to set-off and when gross settlement is considered to be equivalent to net settlement. The amendments are effective for annual periods beginning on or after 1 July 2014 and interim periods within those annual periods. Early application is permitted. The standard is not expected to have a material impact on the Company's financial statements.

Financial Statements for the year ended 30 June 2013 and the auditor's report thereon

To the Shareholders of
VietNam Holding Limited
c/o Card Corporate Services Ltd.
Fourth Floor, Zephyr House
122 Mary Street
PO Box 709 GT
Grand Cayman
KY1-1107, Cayman Islands

INDEPENDENT AUDITORS' REPORT

Report on the financial statements

We have audited the accompanying financial statements on pages 95 to 113 of VietNam Holding Limited ("the Company"), which comprise the statement of financial position as at 30 June 2013, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2013, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

KPMG LLP

Public Accountants and Chartered Accountants

Singapore

13 August 2013

Statement of Financial Position as at 30 June 2013

	Note	2013 USD	2012 USD
Assets			
Cash and cash equivalents		2,671,910	3,070,132
Investments in securities at fair value	3	83,939,007	66,709,452
Accrued dividends		374,108	143,418
Receivables on sale of investments	5	1,326,054	-
Other receivables	5	-	73,695
Total assets		88,311,079	69,996,697
Equity			
Share capital	6	109,507,940	110,484,090
Retained earnings		(22,239,418)	(40,988,061)
Total equity		87,268,522	69,496,029
Liabilities			
Payables on purchase of investments		705,228	64,856
Accrued expenses		337,329	435,812
Total liabilities		1,042,557	500,668
Total equity and liabilities		88,311,079	69,996,697
Total equity represented by:			
Net assets attributable to shareholders (last traded prices)		88,198,156	70,477,461
Adjustment from last traded prices to bid – market prices		(929,634)	(981,432)
Net assets attributable to shareholders (bid – market prices)		87,268,522	69,496,029

The net asset value per share based on last traded prices was USD1.648 as at 30 June 2013 (2012: USD1.295) calculated as per the prospectus, and the net asset value per share based on bid-market prices, calculated as per IFRS, was USD1.630 as at 30 June 2013 (2012: USD1.277). This is based on 53,530,411 shares outstanding (2012: 54,417,112).

The financial statements on pages 95 to 113 were approved by the Board of Directors on 14 August 2013 and were signed on its behalf by

Min-Hwa Hu Kupfer

Chairperson of the Board of Directors

Nguyen Quoc Khanh

Chairman of the Audit Committee

Statement of Comprehensive Income for the year ended 30 June 2013

	Note	2013 USD	2012 USD
Dividend income from equity securities at fair value through profit or loss		4,043,206	4,307,641
Net gain from equity securities at fair value through profit or loss	7	17,445,739	7,219,778
Net foreign exchange loss		(31,491)	(56,113)
Net investment income		21,457,454	11,471,306
Investment management fees	8	1,465,670	1,290,909
Advisory fees		163,327	146,115
Accounting fees	10	83,250	98,250
Custodian fees	9	76,159	101,460
Directors' fees and expenses	8	214,511	255,885
Brokerage fees		62,000	62,268
Audit fees		43,667	51,076
Publicity and investor relations fees		278,082	233,278
Insurance costs		50,000	45,000
Administrative expenses		177,145	226,810
Risk management expenses		60,000	30,096
Technical assistance for investee companies		35,000	9,666
Total operating expenses		2,708,811	2,550,813
Change in net assets attributable to shareholders		18,748,643	8,920,493
Earnings per share – basic and diluted	14	0.35	0.16

Statement of Changes in Equity for the year ended 30 June 2013

	Share capital	Reserve for own shares	Retained earnings	Total
	USD	USD	USD	USD
Balance at 1 July 2011	112,181,354	-	(49,908,554)	62,272,800
Repurchase and cancellation of shares (note 6)	(965,429)	-	-	(965,429)
Repurchase of own shares (note 6)	-	(176,302)	-	(176,302)
Warrants issuance cost	(555,533)	-	-	(555,533)
	(1,520,962)	(176,302)	-	(1,697,264)
Total comprehensive income for the year				
Change in net assets attributable to shareholders	-	-	8,920,493	8,920,493
Balance at 30 June 2012	110,660,392	(176,302)	(40,988,061)	69,496,029
Balance at 1 July 2012	110,660,392	(176,302)	(40,988,061)	69,496,029
Issuance of ordinary shares	304,598	-	-	304,598
Repurchase and cancellation of shares (note 6)	-	-	-	-
Repurchase of own shares (note 6)	-	(1,259,873)	-	(1,259,873)
Warrants issuance cost	(20,875)	-	-	(20,875)
	110,944,115	(1,436,175)	(40,988,061)	68,519,879
Total comprehensive income for the year				
Change in net assets attributable to shareholders	-	-	18,748,643	18,748,643
Balance at 30 June 2013	110,944,115	(1,436,175)	(22,239,418)	87,268,522

Statement of Cash Flows for the year ended 30 June 2013

	Note	2013	2012
		USD	USD
Cash flows from operating activities			
Change in net assets attributable to shareholders		18,748,643	8,920,493
Adjustments to reconcile change in net assets attributable to shareholders to net cash from operating activities:			
Dividend income		(4,043,206)	(4,307,641)
Net gain from equity securities at fair value through profit or loss		(17,445,739)	(7,219,778)
Purchase of investments		(15,961,424)	(17,068,156)
Proceeds from sale of investments		15,491,926	17,794,054
Net foreign exchange loss		31,491	56,113
Decrease/(Increase) in other receivables		73,695	(73,695)
(Decrease)/Increase in accrued expenses		(98,483)	63,302
Dividends received		3,812,516	4,218,963
Net cash from operating activities		609,419	2,383,655
Cash flows from financing activities			
Issuance of ordinary shares		304,598	-
Payment for buy-back of shares	6	-	(965,429)
Repurchase of own shares	6	(1,259,873)	(176,302)
Warrants issuance cost		(20,875)	(555,533)
Net cash used in financing activities		(976,150)	(1,697,264)
Net (decrease)/increase in cash and cash equivalents		(366,731)	686,391
Cash and cash equivalents at beginning of the year		3,070,132	2,439,854
Effect of exchange rate fluctuations on cash held		(31,491)	(56,113)
Cash and cash equivalents at end of the year		2,671,910	3,070,132

Notes to the financial statements for the year ended 30 June 2013

1 THE COMPANY

VietNam Holding Limited ("VNH" or "the Company") is a closed-end investment holding company incorporated on 20 April 2006 as an exempted company under the Companies Law in the Cayman Islands and commenced its operations on 15 June 2006, to invest principally in securities of former State-owned Entities ("SOEs") in Vietnam, prior to, at or after the time such securities become listed on the Vietnam Stock Exchanges, including the initial privatisation of the SOEs. The Company may also invest in the securities of private companies in Vietnam, whether Vietnamese or foreign owned, and the securities of foreign companies if a significant portion of their assets are held or operations are in Vietnam.

The investment objective of the Company is to achieve long-term capital appreciation by investing in a diversified portfolio of companies that have high growth potential at an attractive valuation.

In 2013, the Board of Directors ("the Board") will propose at the Company's annual general meeting, an ordinary resolution that the Company will continue in existence. If such resolution is passed, the Company will continue its operations and a similar resolution will be put to shareholders in 2016. If either of such resolutions is not passed the Board will, at that annual general meeting or at an extraordinary general meeting held within six months of that annual general meeting, propose a resolution to wind up the Company or one or more resolutions to implement a reconstruction, amalgamation or other material alteration to the Company or its activities or any other appropriate alternative based upon current circumstances. Shareholders will only be able to realise their investment by selling their ordinary shares or participating in any redemption or purchase of ordinary shares by the Company.

VietNam Holding Asset Management Limited ("VNHAM") is the Company's Investment Manager and is responsible for the day-to-day management of the Company's investment portfolio in accordance with the Company's investment policies, objectives and restrictions.

Standard Chartered Bank, Singapore Branch and Standard Chartered Bank (Vietnam) Limited are the custodian and the sub-custodian respectively. Standard Chartered Bank, Singapore Branch is also the administrator.

The registered office of the Company is CARD Corporate Services Ltd., Fourth Floor, Zephyr House, 122 Mary Street, PO Box 709 GT, Grand Cayman, KY1-1107, Cayman Islands.

2 PRINCIPAL ACCOUNTING POLICIES

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

(b) Basis of preparation

The financial statements are presented in United States dollars ("USD"). They are prepared on a fair value basis for financial assets and financial liabilities at fair value through profit or loss. Other assets and liabilities are stated at amortised cost.

The Company's shares were issued in USD and the listings of the shares on the AIM market of the London Stock Exchange and the Entry Standard of the Frankfurt Stock Exchange are in USD and Euro, respectively. The performance of the Company is measured and reported to the investors in USD, although the primary activity of the Company is to invest in the Vietnamese market. The Board considers the USD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in USD, which is the Company's functional currency.

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimated and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. The Company is engaged in a single segment of business, being investment in Vietnam. The Board, as a whole, has been determined as constituting the chief operating decision maker of the Company. The key measure of performance used by the Board to assess the Company's performance and to allocate resources is the total return on the Company's NAV calculated as per the prospectus. Therefore a reconciliation between the measure of NAV used by the Board and that contained in these financial statements has been provided in a footnote to the statement of financial position.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

There were no new IFRS standards applied for the year ended 30 June 2013.

(c) Foreign currency translation

Transactions in foreign currencies other than the functional currency are translated at the rate ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated to USD at the rates ruling on the year-end date. Foreign currency exchange differences arising on translation and realised gains and losses on disposals or settlements of monetary assets and liabilities are included in the statement of comprehensive income. Foreign currency exchange differences relating to financial instruments at fair value through profit or loss are included in the realised and unrealised gains and losses on those investments. All other foreign currency exchange differences relating to other monetary items, including cash and cash equivalents, are included in net foreign exchange gains and losses in the statement of comprehensive income.

(d) Financial instruments

(i) Classification

The Company designated all its investments as financial assets at fair value through profit or loss category. Financial instruments are designated at fair value through profit or loss upon initial recognition. These include financial assets that are not held for trading purposes and which may be sold. These are investments in exchange-traded equity instruments and unlisted equity instruments.

Financial assets that are classified as loans and receivables include accrued dividends. Cash and cash equivalents are measured at amortised cost. Financial liabilities that are not at fair value through profit or loss include accrued expenses.

(ii) Recognition

Financial assets and liabilities at fair value through profit or loss are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. Other financial assets and liabilities are recognised on the date they are originated.

Financial assets and financial liabilities at fair value through profit or loss are recognised initially at fair value, which transaction costs recognised in profit or loss. Financial assets or financial liabilities not at fair value through profit or loss are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or issue.

(iii) Derecognition

A financial asset is derecognised when the Company no longer has control over the contractual rights that comprise that asset. This occurs when the rights are realised, expire or are surrendered.

Financial assets that are sold are derecognised, and the corresponding receivables from the buyer for the payment are recognised on the trade date, being the date the Company commits to sell the assets.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

(iv) Measurement

Financial instruments are measured initially at cost. For financial assets acquired, cost is the fair value of consideration given. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately.

Valuation

Investments are recorded at fair value. The fair value of the securities is based on their quoted bid price at the reporting date without any deduction for transaction costs.

If the securities are not listed, the value of the relevant securities is ascertained by the Board in good faith using valuation methods which it considers fair in the circumstances including quotes received from brokers and other third party sources where possible.

As at 30 June 2013, 9.0% (2012: 12.5%) of the valuations of the net assets of the Company were based on quotes obtained from brokers.

Any increases or decreases in values are recognised in the statement of comprehensive income as an unrealised gain or loss.

(v) Gains and losses on subsequent measurement

Gains and losses arising from a change in the fair value of financial instruments are recognised in the statement of comprehensive income.

(vi) Impairment

Financial assets that are stated at cost or amortised cost are reviewed at each reporting date to determine whether there is objective evidence of impairment. If any such indication exists, an impairment loss is recognised in the statement of comprehensive income as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

If in a subsequent period the amount of an impairment loss recognised on a financial asset carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the impairment is reversed through the statement of comprehensive income.

(vii) Cash and cash equivalents

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

(e) Interest income and expense

Interest income and expense is recognised in the statement of comprehensive income using the effective rate method.

Interest income includes the amortisation of any discount or premium on zero coupon bonds, which is taken as income on the basis of yield to redemption, from the date of purchase.

(f) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Company has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis or simultaneously, e.g. through a market clearing mechanism.

(g) Amounts due to/from brokers

Amounts due to/from brokers represent security purchases and sales transactions which are contracted for but not yet delivered at the end of the accounting period.

(h) Taxation

At present, no income, profit, capital, or capital gain taxes are levied in the Cayman Islands, and accordingly, no provision for such taxes has been recorded by the Company in the accompanying financial statements. In the event that such taxes are levied, the Company has received an undertaking from the Governor in Cabinet of the Cayman Islands exempting it from all such taxes for a period of twenty years from 2 May 2006.

The Company is liable to Vietnamese tax of 0.1% (2012: 0.1%) on the sales proceeds of the onshore sale of equity investments. This is included in net gain/(loss) from equity securities at fair value through profit or loss.

(i) **Share capital**

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effect.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

(j) **Adoption of new and revised standards**

Adoption of new standards and amendments to existing standards

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2012, and have not been applied in preparing these financial statements. None of these are expected to have significant effect on the measurement of the amounts recognised in the financial statements of the Company.

IFRS 13 – Fair Value Measurement

Effective for the Company's financial statements for the year ending 30 June 2014.

IFRS 13 replaces the fair value measurement guidance spread throughout various IFRS's with a single source.

The standard defines fair value, establishes a framework for measurement and sets out disclosures requirements. The standard does not create any new requirements to measure assets and liabilities at fair value.

The fair value definition has been refined to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, i.e. an exit price.

The exit price term is the key concept. Fair values must only reflect considerations that would be taken in to account by market participants. This excludes costs incurred in the structure of any transaction and any characteristic of the asset or liability that is purely a function of the holding entity and will not transfer with the asset or liability. Common examples of entity specific characteristics are large market positions "blockage factors" or contractual limitations on use or sale between the entity and another party.

Non-financial assets are covered by IFRS 13 and are measured at their highest and best use taking in to account all factors in which market participants would factor in to its highest and best use. If the asset is not being used in such a way this must be disclosed.

An entity shall use fair value measurements techniques that are appropriate to the circumstances, for which sufficient data is available and that maximises the use of observable inputs and minimises the use of unobservable inputs. If a level 1 input exists this must be used without adjustment except in very limited circumstances.

The disclosures requirements under IFRS 13 are primarily the fair value hierarchy disclosures currently effective within IFRS 7.

3 FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

Financial assets of the Company include investments in securities, cash and cash equivalents and accrued income. Financial liabilities comprise accrued charges. Accounting policies for financial assets and liabilities are set out in note 2.

The Company's investment activities expose it to various types of risk that are associated with the financial

instruments and the markets in which it invests. The most important types of financial risk to which the Company is exposed are market risk, currency risk, credit risk and liquidity risk.

Asset allocation is determined by the Company's Investment Manager who manages the distribution of the assets to achieve the investment objectives. Divergence from target asset allocations and the composition of the portfolio is monitored by the Investment Manager.

Market risk

Market risk is the risk that the value of a financial asset will fluctuate as a result of changes in market prices, whether or not those changes are caused by factors specific to the individual asset or factors affecting all assets in the market. The Company is predominately exposed to market risk within its securities purchased in the Vietnamese market.

The overall market positions are monitored continuously by the Investment Manager and at least quarterly by the Board.

The Company's investments in securities are exposed to market risk and are disclosed by the following generic investment types:

	2013		2012	
	Fair value in USD	% of net assets	Fair value in USD	% of net assets
Shares and similar investments – listed	76,026,001	87.12	58,014,009	83.48
Shares and similar investments – unlisted	7,913,006	9.07	8,695,443	12.51
	<hr/> 83,939,007	96.19	<hr/> 66,709,452	95.99

At 30 June 2013, a 5% reduction in the market value of the portfolio would have led to a reduction in NAV and profit or loss of USD4,196,950 (2012: USD3,335,473). A 5% increase in market value would have led to an equal and opposite effect on NAV and profit or loss.

Currency risk

The Company may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency. Consequently, the Company is exposed to risks that the exchange rate of its currency relative to other currencies may change and have an adverse effect on the value of the Company's assets or liabilities denominated in currencies other than USD.

The Company's net assets are calculated every month based on the most up to date exchange rates while the general economic and foreign currency environment is continuously monitored by the Investment Manager and reviewed by the Board at least once each quarter.

The Company may enter into arrangements to hedge currency risks if such arrangements become desirable and practicable in the future in the interest of efficient portfolio management.

As at 30 June 2013 the Company had the following currency exposures:

	Fair value	
	2013	2012
	USD	USD
Vietnamese Dong	85,981,766	67,652,030
Pound Sterling	176,749	573,908
Swiss Franc	40,784	286,397
Euro	947	50,618
	86,200,226	68,562,953

At 30 June 2013, a 5% reduction in the value of the Vietnamese Dong, Pound Sterling, Swiss Franc, Euro would have led to a reduction in NAV and profit or loss of USD4,299,085 (2012: USD3,382,602), USD8,837 (2012: USD28,695), USD2,039 (2012: USD14,320) and USD47 (2012: USD2,531) respectively. A 5% increase in value would have led to an equal and opposite effect.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company.

At 30 June 2013, the following financial assets were exposed to credit risk (including settlement risk): cash and cash equivalents, accrued dividend, receivable from sale of investments and other receivables. The total amount of financial assets exposed to credit risk amounted to USD4,372,073 (2012: USD3,256,836).

Substantially all of the assets of the Company are held by the Company's custodian, Standard Chartered Bank, Singapore Branch. Bankruptcy or insolvency of the custodian may cause the Company's rights with respect to cash and securities held by the custodian to be delayed or limited. The Company monitors its risk by monitoring the credit quality and financial positions of the custodian the Company uses.

Liquidity risk

The Company, a closed-end investment company, invests in companies through listings on the Vietnam Stock Exchanges or on other stock exchanges. There is no guarantee however that the Vietnam Stock Exchanges will provide liquidity for the Company's investments. The Company also invests in equity securities which are not listed on stock exchanges. The Company may have to resell such investments in privately negotiated transactions.

The Company's overall liquidity risks are monitored on at least a quarterly basis by the Board. The Company is a closed-end investment company so shareholders cannot redeem their shares directly from the Company.

Interest rate risk

The majority of the Company's financial assets are non-interest-bearing. Interest-bearing financial assets and interest-bearing financial liabilities mature or reprice in the short-term, no longer than twelve months. As a result, the Company is subject to limited exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates.

4 OPERATING SEGMENTS

Information on gains and losses derived from investments are disclosed in the statement of comprehensive income.

The Company is domiciled in the Cayman Islands. Entity wide disclosures are provided as the Company is engaged in a single segment of business, investing in Vietnam. In presenting information on the basis of geographical segments, segment investments and the corresponding segment net investment income arising thereon are determined based on the country of domicile of the respective investment entities.

All of the Company's investments in securities at fair value are in Vietnam as at 30 June 2013 and 30 June 2012. All of the Company's investment income can be attributed to Vietnam for the years ended 30 June 2013 and 30 June 2012.

5 OTHER RECEIVABLES

	2013	2012
	USD	USD
Other receivables	-	43,286
Prepayment	-	30,409
	-	73,695

6 SHARE CAPITAL

Ordinary shares of USD1 each

The ordinary shares have been created pursuant to the Companies Law in the Cayman Islands. The Company was incorporated with an authorised share capital of USD100,000,000 divided into 100,000,000 ordinary shares of USD1 each. According to the Companies Law and articles of association, the Company may from time to time redeem all or any portion of the shares held by the shareholders upon giving notice of not less than 30 calendar days to the shareholders.

On 6 June 2006, the Board resolved that 56,250,000 ordinary shares would be allotted at a placing price of USD2 per ordinary share. The ISIN number of the ordinary shares is KYG9361X043.

On 23 September 2010, during its annual general meeting, the shareholders approved a Share Repurchase Programme.

	No. of shares
Shares issued and fully paid in 2006	56,250,000
Repurchased and cancelled:	
Year ended 30 June 2011	(343,138)
Year ended 30 June 2012	(1,324,750)
Year ended 30 June 2013	-
Total shares repurchased and cancelled	<u>(1,667,888)</u>
Number of shares after repurchases and cancellations	<u>54,582,112</u>
Repurchased and reserved for own shares	
Year ended 30 June 2012	(165,000)
Year ended 30 June 2013	(1,141,381)
	<u>(1,306,381)</u>
Shares issued upon exercise of warrants	254,680
Total outstanding ordinary shares with voting rights	<u>53,530,411</u>

As a result, the Company now has 53,530,411 (2012: 54,417,112) ordinary shares with voting rights in issue (excluding the reserve for own shares), and 1,306,381 (2012: 165,000) are held as reserve for own shares.

The Company strives to invest the capital raised to meet the Company's investment objectives which are to achieve long term capital appreciation through a diversified portfolio of companies that have high potential in Vietnam. The Company achieves this aim by investing principally in securities of former State-owned Entities ("SOEs") in Vietnam prior to, at or after such securities becoming listed on the Vietnam Stock Exchanges.

The Company does not have any externally imposed capital requirements.

Incremental costs directly attributable to the issue or redemption of ordinary shares are recognised directly in equity as a deduction from the proceeds or part of the acquisition cost.

The Company's general intention is to reinvest the capital received on the sale of investments. However, the Board may from time to time and at its discretion, either use the proceeds of sales of investments to meet the Company's expenses or distribute them to shareholders. Alternatively, the Board of Directors may redeem ordinary shares with such proceeds for shareholders pro rata to their shareholding upon giving notice of not less than 30 calendar days to shareholders (subject always to applicable law) or repurchase ordinary shares at a price not exceeding the last published net asset value per share.

Warrants

On 21 May 2012, the Company issued a prospectus for a bonus issue of warrants to shareholders pro rata, on the basis of one warrant for every three ordinary shares held. The

exercise date of these warrants was initially on 13 December 2012 with an exercise price of USD1.196 per share. Both Shareholders and Warrantholders gave their approval to a proposal of extension of the term of the warrants through the addition of two exercise dates, 25 April 2013 and 25 September 2013.

A total of 18,194,037 (2012: 18,194,037) warrants were issued and were listed on AIM. At the reporting date, 17,939,357 (2012: 18,194,037) warrants were outstanding.

On 13 December 2012 and 25 April 2013, 32,930 and 221,750 shares were issued following the exercise of subscription rights by holders of the warrants.

Although there can be no certainty as to whether any or all of the remaining warrants will be exercised, if the bonus issue proceeds and all of the remaining warrants are exercised on the exercise date at the exercise price, the maximum net proceeds that could arise on such exercise would be approximately USD21.8 million. The net proceeds arising on the exercise of the remaining warrants will be invested in accordance with the Company's investment policy.

7 NET GAIN FROM EQUITY SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	2013	2012
	USD	USD
Net gain from equity securities at fair value through profit or loss:		
Realised loss	(7,217,354)	(18,307,227)
Adjustment to fair value of equity securities at fair value through profit or loss	24,663,093	25,527,005
	<u>17,445,739</u>	<u>7,219,778</u>

8 RELATED PARTY TRANSACTIONS

Investment management fees

The Investment Manager is entitled to an investment management fee of 2% per annum on the monthly net assets under management. The fee is payable monthly and is calculated by reference to the NAV at the end of the preceding month. In addition, the Investment Manager is reimbursed by the Company for administrative functions that it performs on behalf of the Company.

The Company will pay the Investment Manager an incentive fee each year at the rate of 20% of the annual increase in net asset value over the higher of an annualised hurdle rate of 5% and a "high water mark" requirement.

The total fees accruing to the Investment Manager for the year to 30 June 2013 were USD1,465,670 (2012: USD1,290,909) as a management fee.

No incentive fee was due as at 30 June 2013 or at 30 June 2012.

Directors' fees and expenses

The Board determines the fees payable to each Director, subject to a maximum aggregate amount of USD350,000 per annum being paid to the Board as a whole. The Company also pays reasonable expenses incurred by the Directors in the conduct of the Company's business

including travel and other expenses. The Company pays for directors and officers liability insurance coverage.

The charges for the year for the Directors fees were USD159,500 (2012: USD173,000) and expenses were USD55,011 (2012: USD82,885).

Directors' ownership of shares and warrants

As at 30 June 2013, three Directors, Min-Hwa Hu Kupfer, Nguyen Quoc Khanh and Rolf Dubs held 30,000 (2012: 30,000), 10,000 (2012: Nil) and 20,000 (2012: 10,000) ordinary shares of the Company respectively, representing 0.06% (2012: 0.06%), 0.02% (2012: Nil) and 0.04% (2012: 0.02%) of the total shares outstanding.

As at 30 June 2013, Min-Hwa Hu Kupfer and Rolf Dubs held 6,666 (2012: 6,666) and 15,000 (2012: 25,000) warrants to subscribe ordinary shares, representing 0.04% (2012: 0.04%) and 0.08% (2012: 0.14%) of the total warrants issued respectively.

9 CUSTODIAN FEES

Custodian fees are charged at a minimum of USD12,000 per annum and received as a fee of 0.08% on the assets under administration ("AUA") per annum. Custodian fees comprise safekeeping fees, transaction fees, money transfer fees and other fees. Safekeeping of unlisted securities up to 20 securities is charged at USD12,000 per annum. Transaction fees, money transfers fees and other fees are charged on a transaction basis.

The charges for the year for the Custodian fees were USD 76,159 (2012: USD101,460).

10 ADMINISTRATIVE AND ACCOUNTING FEES

The administrator receives a fee of 0.07% per annum for assets under administration ("AUA") less than USD100,000,000; or 0.06% per annum for AUA greater than USD100,000,000 calculated on the basis of the net assets of the Company, subject to an annual minimum amount of USD5,500 per month.

The charges for the year for the Administration and Accounting fees were USD83,250 (2012: USD98,250).

11 CONTROLLING PARTY

The Directors are not aware of any ultimate controlling party as at 30 June 2013 or 30 June 2012.

12 FAIR VALUE INFORMATION

For certain of the Company's financial instruments not carried at fair value, such as cash and cash equivalents, accrued dividends and other assets and creditors and accrued charges, the amounts approximate fair value due to the immediate or short term nature of these financial instruments.

Other financial instruments are measured at fair value on the statement of the net assets attributable to shareholders.

Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges (for example, London Stock Exchange, Frankfurt Stock Exchange, New York Stock Exchange) and exchanges traded derivatives like futures (for example, Nasdaq, S&P 500).
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level includes the majority of the OTC derivative contracts, traded loans and issued structured debt. The sources of input parameters like LIBOR yield curve or counterparty credit risk are Bloomberg and Reuters.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible.

The carrying amounts of financial assets at 30 June 2013 and 30 June 2012 are as follows:

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
2013				
Financial assets designated at fair value upon initial recognition				
Equity investments	76,026,001	-	7,913,006	83,939,007
<hr/>				
2012				
Financial assets designated at fair value upon initial recognition				
Equity investments	58,014,009	-	8,695,443	66,709,452
<hr/>				

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Assessing whether an input is significant requires judgement including consideration of factors specific to the asset or liability. Moreover, if a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that fair value measurement is a Level 3 measurement.

Although the Company believes that its estimates of fair value are appropriate, the use of different assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, if the reasonable possible alternative assumptions were

increased/decreased by 10%, the impact on profit/(loss) would be USD791,301 (2012: USD869,544).

Level 3 reconciliation

	Financial assets designated at fair value through profit or loss	
	2013	2012
	USD	USD
Balance at 1 July	8,695,443	10,396,429
Sales	-	(3,764,155)
Total gains and losses recognised in profit or loss *	(782,437)	2,063,169
Balance at 30 June	7,913,006	8,695,443

* Total gains or losses recognised in profit or loss for assets and liabilities held at the end of the reporting period, as included in the statement of comprehensive income.

13 CLASSIFICATIONS AND FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The table below provides a breakdown of the line items in the Company's statement of financial position to the categories of financial instruments.

	Note	Designated as at fair value through profit or loss	Loans and receivables	Other liabilities	Total carrying amount
		USD	USD	USD	USD
2013					
Cash and cash equivalents		-	2,671,910	-	2,671,910
Investments in securities at fair value	3	83,939,007	-	-	83,939,007
Accrued dividends		-	374,108	-	374,108
Receivables from sale of investments		-	1,326,054	-	1,326,054
Other receivables	5	-	-	-	-
		83,939,007	4,372,072	-	88,311,079
Payables on purchase of		-	-	705,228	705,228

	Note	Designated as at fair value through profit or loss USD	Loans and receivables USD	Other liabilities USD	Total carrying amount USD
investments					
Accrued expenses		-	-	337,329	337,329
		-	-	1,042,557	1,042,557
2012					
Cash and cash equivalents		-	3,070,132	-	3,070,132
Investments in securities at fair value	3	66,709,452	-	-	66,709,452
Accrued dividends		-	143,418	-	143,418
Other receivables	5	-	73,695	-	73,695
		66,709,452	3,287,245	-	69,996,697
Payables on purchase of investments		-	-	64,856	64,856
Accrued expenses		-	-	435,812	435,812
		-	-	500,668	500,668

14 EARNINGS PER SHARE

The calculation of earnings per share at 30 June 2013 was based on the change in net assets attributable to ordinary shareholders of USD18,748,643 (2012: USD8,920,493) and the weighted average number of shares outstanding of 53,894,886 (2012: 54,998,948).

At the reporting date, the warrants in issue are anti-dilutive and hence disregarded in the calculation of diluted earnings per share.

Financial Statements for the year ended 30 June 2012 and the auditor's report thereon

To the Shareholders of

VietNam Holding Limited
c/o Card Corporate Services Ltd.
Fourth Floor, Zephyr House
Mary Street
PO Box 709 GT
Grand Cayman
KY1-1107, Cayman Islands

INDEPENDENT AUDITORS' REPORT

Report on the financial statements

We have audited the accompanying financial statements on pages 116 to 133 of VietNam Holding Limited ("the Company"), which comprise the statement of financial position as at 30 June 2012, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2012, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Other matter

The financial statements of the Company as at and for the year ended 30 June 2011 were audited by KPMG Audit S.à r.l. who expressed an unmodified opinion on those statements on 19 August 2011.

KPMG LLP

Certified Public Accountants

Singapore

13 August 2012

Statement of Financial Position as at 30 June 2012

	Note	2012 USD	2011 USD
Assets			
Cash and cash equivalents	2	3,070,132	2,439,854
Investments in securities at fair value	2, 3	66,709,452	60,139,513
Accrued dividends		143,418	54,740
Other receivables	5	73,695	11,203
Total assets		69,996,697	62,645,310
Equity			
Share capital	6	110,484,090	112,181,354
Retained earnings		(40,988,061)	(49,908,554)
Total equity		69,496,029	62,272,800
Liabilities			
Payable on purchase of investments		64,856	-
Accrued expenses		435,812	372,510
Total liabilities		500,668	372,510
Total equity and liabilities		69,996,697	62,645,310
Total equity represented by:			
Net assets attributable to shareholders (last traded prices)		70,477,461	62,716,109
Adjustment from last traded prices to bid – market prices		(981,432)	(443,309)
Net assets attributable to shareholders (bid – market prices)		69,496,029	62,272,800

The net asset value per share based on last traded prices was USD 1.295 as at 30 June 2012 (2011: USD 1.122) calculated as per the prospectus, and the net asset value per share based on bid-market prices, calculated as per IFRS, was USD 1.277 as at 30 June 2012 (2011: USD 1.114). This is based on 54,417,112 shares outstanding (2011: 55,906,862).

The financial statements on pages 116 to 133 were approved by the Board of Directors on 13 August 2012 and were signed on its behalf by

Min-Hwa Hu Kupfer

Chairperson of the Board of Directors

Nguyen Quoc Khanh

Chairman of the Audit Committee

Statement of Comprehensive Income for the year ended 30 June 2012

	Note	2012 USD	2011 USD
Interest income	7	-	234
Dividend income from equity securities at fair value through profit or loss		4,307,641	2,532,812
Net gain/(loss) from equity securities at fair value through profit or loss	2,8	7,219,778	(15,710,047)
Net foreign exchange (loss)/gain	2	(56,113)	7,382
Net investment income/(loss)		11,471,306	(13,169,619)
Investment management fees	9	1,290,909	1,449,229
Advisory fees		146,115	111,452
Accounting fees	11	98,250	100,000
Custodian fees	10	101,460	140,642
Directors' fees and expenses	9	255,885	276,087
Brokerage fees		62,268	67,369
Audit fees		51,076	59,746
Publicity and investor relations fees		233,278	297,381
Insurance costs		45,000	45,000
Administrative expenses		226,810	159,500
Risk management expenses		30,096	58,150
Technical assistance for investee companies		9,666	34,377
Total operating expenses		2,550,813	2,798,933
Change in net assets attributable to shareholders		8,920,493	(15,968,552)
Earnings per share – basic and diluted	15	0.16	(0.29)

Statement of Changes in Equity for the year ended 30 June 2012

	Share capital	Reserve for own shares	Retained earnings	Total
	USD	USD	USD	USD
Balance at 1 July 2010	112,500,000	-	(33,940,002)	78,559,998
Repurchase and cancellation of shares	(318,646)	-	-	(318,646)
Total comprehensive income for the year				
Change in net assets attributable to shareholders	-	-	(15,968,552)	(15,968,552)
Balance at 30 June 2011	112,181,354	-	(49,908,554)	62,272,800
Balance at 1 July 2011	112,181,354	-	(49,908,554)	62,272,800
Repurchase and cancellation of shares (note 6)	(965,429)	-	-	(965,429)
Repurchase of own shares (note 6)	-	(176,302)	-	(176,302)
Warrants issuance cost	(555,533)	-	-	(555,533)
	(1,520,962)	(176,302)	-	(1,697,264)
Total comprehensive income for the year				
Change in net assets attributable to shareholders	-	-	8,920,493	8,920,493
Balance at 30 June 2012	110,660,392	(176,302)	(40,988,061)	69,496,029

Statement of Cash Flows for the year ended 30 June 2012

	Note	2012 USD	2011 USD
Cash flows from operating activities			
Change in net assets attributable to shareholders		8,920,493	(15,968,552)
Adjustments for:			
Interest income		-	(234)
Dividend income		(4,307,641)	(2,532,812)
Net (gain)/loss from equity securities at fair value through profit or loss		(7,219,778)	15,710,047
Purchase of investments		(17,068,156)	(5,702,247)
Proceeds from sale of investments		17,794,054	5,873,827
Net foreign exchange loss		56,113	101,092
		(1,824,915)	(2,518,879)
Net decrease in other receivables and payables		(10,393)	(164,993)
Cash used in operations		(1,835,308)	(2,683,872)
Interest received		-	234
Dividends received		4,218,963	2,560,631
Net cash from/(used in) operating activities		2,383,655	(123,007)
Cash flows from financing activities			
Payment for buy-back of shares	6	(965,429)	(318,646)
Repurchase of own shares	6	(176,302)	-
Warrants issuance cost paid		(555,533)	-
Net cash used in financing activities		(1,697,264)	(318,646)
Net increase/(decrease) in cash and cash equivalents		686,391	(441,653)
Cash and cash equivalents beginning of the year		2,439,854	2,982,599
Effect of exchange rate fluctuations on cash held		(56,113)	(101,092)
Cash and cash equivalents at end of the year		3,070,132	2,439,854

Notes to the financial statements for the year ended 30 June 2012

1 THE COMPANY

VietNam Holding Limited ("VNH" or "the Company") is a closed-end investment holding company incorporated on 20 April 2006 as an exempted company under the Companies Law in the Cayman Islands and commenced its operations on 15 June 2006, to invest principally in securities of former State-owned Entities ("SOEs") in Vietnam, prior to, at or after the time such securities become listed on the Vietnam Stock Exchanges, including the initial privatisation of the SOEs. The Company may also invest in the securities of private companies in Vietnam, whether Vietnamese or foreign owned, and the securities of foreign companies if a significant portion of their assets are held or operations are in Vietnam.

The investment objective of the Company is to achieve long-term capital appreciation by investing in a diversified portfolio of companies that have high growth potential at an attractive valuation.

In 2013, the Board will propose at the Company's annual general meeting, an ordinary resolution that the Company will continue in existence. If such resolution is passed, the Company will continue its operations and a similar resolution will be put to shareholders in 2016. If either of such resolutions is not passed the Board will, at that annual general meeting or at an extraordinary general meeting held within six months of that annual general meeting, propose a resolution to wind up the Company or one or more resolutions to implement a reconstruction, amalgamation or other material alteration to the Company or its activities or any other appropriate alternative based upon current circumstances. Shareholders will only be able to realise their investment by selling their ordinary shares or participating in any redemption or purchase of ordinary shares by the Company.

VietNam Holding Asset Management Limited ("VNHAM") has been appointed as the Company's Investment Manager and is responsible for the day-to-day management of the Company's investment portfolio in accordance with the Company's investment policies, objectives and restrictions.

During the year, the custodian changed from Credit Suisse Zurich to Standard Chartered Bank, Singapore Branch, and the sub-custodian changed from HSBC (Vietnam) to Standard Chartered Bank (Vietnam) Limited. The administrator also changed from Credit Suisse Fund Service (Luxembourg) S.A. to Standard Chartered Bank, Singapore Branch. As a consequence of this, KPMG LLP in Singapore was appointed as auditors in place of KPMG Audit S.à. r.l. in Luxembourg.

The registered office of the Company is CARD Corporate Services Ltd., Fourth Floor, Zephyr House, 122 Mary Street, PO Box 709 GT, Grand Cayman, KY1-1107, Cayman Islands.

2 PRINCIPAL ACCOUNTING POLICIES

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and interpretations adopted by the International Accounting Standards Board and the European Union.

(b) Basis of preparation

The financial statements are presented in USD and rounded to the nearest USD. They are prepared on a fair value basis for financial assets and financial liabilities at fair value through profit or loss. Other financial assets and liabilities are stated at amortised cost.

The shares were issued in USD and the listings of the shares are in USD and Euro. The performance of the Company is measured and reported to the investors in USD, although the primary activity of the Company is to invest in the Vietnamese market. The

Board of Directors considers the USD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in USD, which is the Company's functional and presentation currency.

The preparation of financial statements in accordance with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimated and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. The Company is engaged in a single segment of business, being investment in Vietnam. The Board, as a whole, has been determined as constituting the chief operating decision maker of the Company. The key measure of performance used by the Board to assess the Company's performance and to allocate resources is the total return on the Company's net asset value calculated as per the prospectus. Therefore a reconciliation between the measure of net assets value used by the Board and that contained in these financial statements has been provided in a footnote to the statement of financial position.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

There were no new IFRS standards applied for the year ended 30 June 2012.

(c) Foreign currency translation

Transactions in foreign currencies other than the functional currency are translated at the rate ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated to USD at the rates ruling on the year-end date. Foreign currency exchange differences arising on translation and realised gains and losses on disposals or settlements of monetary assets and liabilities are included in the statement of comprehensive income. Foreign currency exchange differences relating to financial instruments at fair value through profit or loss are included in the realised and unrealised gains and losses on those investments. All other foreign currency exchange differences relating to other monetary items, including cash and cash equivalents, are included in net foreign exchange gains and losses in the statement of comprehensive income.

(d) Financial instruments

(i) Classification

The Company designated all its investments as financial assets at fair value through profit or loss category. Financial instruments are designated at fair value through profit or loss upon initial recognition. These include financial assets that are not held for trading purposes and which may be sold. These are investments in exchange-traded equity instruments and unlisted equity instruments.

Financial assets that are classified as loans and receivables include accrued dividends.

Cash and cash equivalents are measured at amortised cost.

Financial liabilities that are not at fair value through profit or loss include accrued expenses.

(ii) Recognition

Financial assets and liabilities at fair value through profit or loss are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. Other financial assets and liabilities are recognised on the date they are originated.

Financial assets and financial liabilities at fair value through profit or loss are recognised initially at fair value, which transaction costs recognised in profit or loss. Financial assets or financial liabilities not at fair value through profit or loss are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or issue.

(iii) Derecognition

A financial asset is derecognised when the Company no longer has control over the contractual rights that comprise that asset. This occurs when the rights are realised, expire or are surrendered.

Financial assets that are sold are derecognised, and the corresponding receivables from the buyer for the payment are recognised on the trade date, being the date the Company commits to sell the assets.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

(iv) Measurement

Financial instruments are measured initially at cost. For financial assets acquired, cost is the fair value of consideration given. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately.

Valuation

Investments are recorded at fair value. The fair value of the securities is based on their quoted bid price at the reporting date without any deduction for transaction costs.

If the securities are not listed, the value of the relevant securities is ascertained by the Board of Directors in good faith using valuation methods which it considers fair in the circumstances including quotes received from brokers and other third party sources where possible.

As at 30 June 2012, 12.5% (2011: 16.6%) of the valuations of the net assets of the Company were based on quotes obtained from brokers.

Any increases or decreases in values are recognised in the statement of comprehensive income as an unrealised gain or loss.

(v) Gains and losses on subsequent measurement

Gains and losses arising from a change in the fair value of financial instruments are recognised in the statement of comprehensive income.

(vi) Impairment

Financial assets that are stated at cost or amortised cost are reviewed at each reporting date to determine whether there is objective evidence of impairment. If any such indication exists, an impairment loss is recognised in the statement of comprehensive income as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

If in a subsequent period the amount of an impairment loss recognised on a financial asset carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the impairment is reversed through the statement of comprehensive income.

(vii) Specific instruments

Cash and cash equivalents

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

(e) Interest income and expense

Interest income and expense is recognised in the statement of comprehensive income using the effective rate method.

Interest income includes the amortisation of any discount or premium on zero coupon bonds, which is taken as income on the basis of yield to redemption, from the date of purchase.

(f) Formation expenses

Costs attributable to the establishment of the Company have been expensed in full.

(g) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Company has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis or simultaneously, e.g. through a market clearing mechanism.

(h) Amounts due to/from brokers

Amounts due to/from brokers represent security purchases and sales transactions which are contracted for but not yet delivered at the end of the accounting period.

(i) Taxation

At present, no income, profit, capital, or capital gain taxes are levied in the Cayman Islands, and accordingly, no provision for such taxes has been recorded by the Company in the accompanying financial statements. In the event that such taxes are levied, the

Company has received an undertaking from the Governor in Cabinet of the Cayman Islands exempting it from all such taxes for a period of twenty years from 2 May 2006.

(j) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effect.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

(k) Adoption of new and revised standards

Adoption of new standards and amendments to existing standards

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2012, and have not been applied in preparing these financial statements. None of these are expected to have significant effect on the measurement of the amounts recognised in the financial statements of the Company.

IFRS 13 – Fair Value Measurement

Effective date 1 January 2013, early adoption permitted.

IFRS 13 replaces the fair value measurement guidance spread throughout various IFRS's with a single source.

The standard defines fair value, establishes a framework for measurement and sets out disclosures requirements. The standard does not create any new requirements to measure assets and liabilities at fair value.

The fair value definition has been refined to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, i.e. an exit price.

The exit price term is the key concept. Fair values must only reflect considerations that would be taken in to account by market participants. This excludes costs incurred in the structure of any transaction and any characteristic of the asset or liability that is purely a function of the holding entity and will not transfer with the asset or liability. Common examples of entity specific characteristics are large market positions "blockage factors" or contractual limitations on use or sale between the entity and another party.

Non-financial assets are covered by IFRS 13 and are measured at their highest and best use taking in to account all factors in which market participants would factor in to its highest and best use. If the asset is not being used in such a way this must be disclosed.

An entity shall use fair value measurements techniques that are appropriate to the circumstances, for which sufficient data is available and that maximises the use of observable inputs and minimises the use of unobservable inputs. If a level 1 input exists this must be used without adjustment except in very limited circumstances.

The disclosures requirements under IFRS 13 are primarily the fair value hierarchy disclosures currently effective within IFRS 7.

3 FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

Financial assets of the Company include investments in securities, cash and cash equivalents and accrued income. Financial liabilities are comprised of accrued charges. Accounting policies for financial assets and liabilities are set out in note 2.

The Company's investment activities expose it to various types of risk that are associated with the financial

instruments and the markets in which it invests. The most important types of financial risk to which the Company is exposed are market risk, currency risk, credit risk and liquidity risk.

Asset allocation is determined by the Company's Investment Manager who manages the distribution of the assets to achieve the investment objectives. Divergence from target asset allocations and the composition of the portfolio is monitored by the Investment Manager.

Market risk

Market risk is the risk that the value of a financial asset will fluctuate as a result of changes in market prices, whether or not those changes are caused by factors specific to the individual asset or factors affecting all assets in the market. The Company is predominately exposed to market risk within its securities purchased on the Vietnamese market.

The overall market positions are monitored continuously by the Investment Manager and at least quarterly by the Board of Directors.

The Company's investments in securities are exposed to market risk and are disclosed by the following generic investment types:

Description	2012		2011	
	Fair value	% of net	Fair value	% of net
	in USD	assets	in USD	assets
Shares and similar investments – listed	58,014,009	83.48	49,743,084	80.08
Shares and similar investments – unlisted	8,695,443	12.51	10,396,429	16.74
	<hr/> 66,709,452	95.99	60,139,513	96.82

At 30 June 2012, a 5% reduction in the market value of the portfolio would have led to a reduction in net asset value of USD 3,335,473 (2011: USD 3,006,976). A 5% increase in market value would have led to an equal and opposite effect.

Currency risk

The Company may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency. Consequently, the Company is exposed to risks that the exchange rate of its currency relative to other currencies may change and have an adverse effect on the value of the Company's assets or liabilities denominated in currencies other than USD.

The Company's net assets are calculated every month based on the most up to date exchange rates while the general economic and foreign currency environment is continuously monitored by the Investment Manager and reviewed by the VNH Board of Directors at least once each quarter.

The Company may enter into arrangements to hedge currency risks if such arrangements become desirable and practicable in the future in the interest of efficient portfolio management.

As at 30 June 2012 the Company had the following currency exposures:

	Fair value	
	2012	2011
	USD	USD
Vietnamese Dong	67,652,030	60,958,283
Euro	50,618	1,141,235
Swiss Franc	286,397	-
Pound Sterling	573,908	-
	68,562,953	62,099,518

At 30 June 2012, a 5% reduction in the value of the Vietnamese Dong, Euro, Swiss Franc, Pound Sterling would have led to a reduction in net asset value of USD 3,382,602 (2011: USD 3,047,914) , USD 2,531 (2011: USD 57,062), USD 14,320 (2011: USD nil) and USD 28,695 (2011: USD nil) respectively. A 5% increase in value would have led to an equal and opposite effect.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company.

At 30 June 2012, the following financial assets were exposed to credit risk (including settlement risk): cash and cash equivalents, accrued dividend and other receivables. The total amount of financial assets exposed to credit risk amounted to USD 3,256,836 (2011: USD 2,505,797).

Substantially all of the assets of the Company are held by Standard Chartered Bank, Singapore Branch. Bankruptcy or insolvency of the bank and custodian may cause the Company's rights with respect to cash and securities held by the bank and custodian to be delayed or limited. The Company monitors its risk by monitoring the credit quality and financial positions of the bank and custodian the Company uses.

Liquidity risk

The Company, a closed-end investment company, invests in companies through listings on the Vietnam Stock Exchanges or on other stock exchanges. There is no guarantee however that the Vietnam Stock Exchanges will provide liquidity for the Company's investments. The Company may have to resell such investments in privately negotiated transactions.

The Company's overall liquidity risks are monitored on at least a quarterly basis by the Board of Directors. The Company is a closed-end investment company so shareholders cannot redeem their shares directly from the Company.

Interest rate risk

The majority of the Company's financial assets are non-interest-bearing. Interest-bearing financial assets and interest-bearing financial liabilities mature or reprice in the short-term, no longer than twelve months. As a result, the Company is subject to limited exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates.

4 OPERATING SEGMENTS

Information on gains and losses derived from investments are disclosed in the statement of comprehensive income.

The Company is domiciled in the Cayman Islands. Entity wide disclosures are provided as the Company is engaged in a single segment of business, investing in Vietnam. In presenting information on the basis of geographical segments, segment investments and the corresponding segment net investment income arising thereon are determined based on the country of domicile of the respective investment entities.

All of the Company's investments in securities at fair value are domiciled in Vietnam as at 30 June 2012 and 2011. All of the Company's investment income can be attributed to Vietnam for the years ended 30 June 2012 and 2011.

5 OTHER RECEIVABLES

	2012	2011
	USD	USD
Other receivables	43,286	11,203
Prepayment	30,409	-
	<hr/>	<hr/>
	73,695	11,203
	<hr/>	<hr/>

6 SHARE CAPITAL

Ordinary shares of USD 1.00 each

The ordinary shares have been created pursuant to the Companies Law in the Cayman Islands. The Company was incorporated with an authorised share capital of USD 100,000,000 divided into 100,000,000 ordinary shares of USD 1.00 each. According to the Companies Law and articles of association, the Company may from time to time redeem all or any portion of the shares held by the shareholders upon giving notice of not less than 30 calendar days to the shareholders.

On 6 June 2006, the Board resolved that 56,250,000 ordinary shares would be allotted at a placing price of USD 2.00 per ordinary share at, but conditional upon, admission. The ordinary shares' ISIN number is KYG9361X043.

On 23 September 2010, during its annual general meeting, the shareholders approved a Share Repurchase Programme.

	No. of shares
Shares issued in 2006	56,250,000
	<hr/>

Repurchased and cancelled:	
Year ended 30 June 2011	(343,138)
Year ended 30 June 2012	(1,324,750)
Total shares repurchased and cancelled	<u>(1,667,888)</u>
Number of share after repurchased and cancelled	<u>54,582,112</u>
Repurchased and reserved for own shares	(165,000)
Total outstanding ordinary shares with voting rights	<u><u>54,417,112</u></u>

As a result, the Company now has 54,417,112 ordinary shares with voting rights in issue (excluding the reserve for own shares), and 165,000 are held as reserve for own shares.

The Company strives to invest the capital raised to meet the Company's investment objectives which are to achieve long term capital appreciation through a diversified portfolio of companies that have high potential in Vietnam. The Company achieves this aim by investing principally in securities of former State-owned Entities ("SOEs") in Vietnam prior to, at or after such securities becoming listed on the Vietnam Stock Exchanges.

The Company does not have any externally imposed capital requirements.

Incremental costs directly attributable to the issue or redemption of ordinary shares are recognised directly in equity as a deduction from the proceeds or part of the acquisition cost.

The Company's general intention is to reinvest the capital received on the sale of investments. However, the Board may from time to time and at its discretion, either use the proceeds of sales of investments to meet the Company's expenses or distribute them to shareholders. Alternatively, the Board may redeem ordinary shares with such proceeds for shareholders pro rata to their shareholding upon giving notice of not less than 30 calendar days to shareholders (subject always to applicable law) or repurchase ordinary shares at a price not exceeding the last published net asset value per share.

Warrants

On 21 May 2012, the Company issued a prospectus for a bonus issue of warrants to shareholders pro rata, on the basis of one warrant for every three ordinary shares held. The exercise date of these warrants is on 13 December 2012 with exercise price of USD 1.196 per share.

A total of 18,194,037 warrants were issued and were listed on the London Alternative Investment Market. At the reporting date, 18,194,037 warrants were outstanding.

Although there can be no certainty as to whether any or all of the warrants will be exercised, if the bonus issue proceeds and all of the warrants are exercised on the exercise date at the exercise price, the maximum net proceeds that could arise on such exercise would be approximately USD 21.8 million. The net proceeds arising on the exercise of the warrants will be invested in accordance with the Company's investment policy.

7 INTEREST INCOME

	2012	2011
	USD	USD
Interest income arising from financial assets that are not at fair value through profit or loss:		
Cash and cash equivalents	-	234
Total interest income recognised on financial assets	<u>-</u>	<u>234</u>

8 NET GAIN/(LOSS) FROM EQUITY SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	2012	2011
	USD	USD
Net gain/(loss) from equity securities at fair value through profit of loss:		
Realised loss	(18,307,227)	(599,410)
Adjustment to fair value of equity securities at fair value through profit or loss	25,527,005	(15,110,637)
	<u>7,219,778</u>	<u>(15,710,047)</u>

9 RELATED PARTY TRANSACTIONS

Investment management fees

The Investment Manager is entitled to an investment management fee of 2% per annum on the monthly net assets under management. The fee is payable monthly and is calculated by reference to the NAV at the end of the preceding month. In addition, the Investment Manager is reimbursed by the Company for administrative functions that it performs on behalf of the Company.

The Company will pay the Investment Manager an incentive fee each year at the rate of 20% of the annual increase in net asset value over the higher of an annualised hurdle rate of 5% and a "high water mark" requirement.

The total fees accruing to the Investment Manager for the year to 30 June 2012 were USD 1,290,909 (2011: USD 1,449,229) as a management fee and USD nil (2011: USD 159,500) for administrative support.

No incentive fee was due as at 30 June 2012 or at 30 June 2011.

Directors' fees and expenses

The Board will determine the fees payable to each Director, subject to a maximum aggregate amount of USD 350,000 per annum being paid to the Board as a whole. The Company will also pay reasonable expenses incurred by the Directors in the conduct of the Company's

business including travel and other expenses. The Company will pay for directors and officers liability insurance coverage.

The charges for the year for the Directors fees were USD173,000 (2011: USD153,500) and expenses were USD 82,885 (2011: USD122,587).

Directors' ownership of shares

As at 30 June 2012, two Directors, Min-Hwa Hu Kupfer and Rolf Dubs held 30,000 (2011: 20,000) and 10,000 (2011: nil) ordinary shares of the Company respectively, representing 0.06% (2011: 0.04%) and 0.02% (2011: nil) of the total shares outstanding.

As at 30 June 2012, Min-Hwa Hu Kupfer and Rolf Dubs held 6,666 (2011: nil) and 25,000 (2011: nil) warrants to subscribe ordinary shares respectively, representing 0.04% (2011: nil) and 0.14% (2011: nil) of the total warrants issued.

10 CUSTODIAN FEES

The custodian fees are as follows:

Custodian fees are charged at a minimum of USD 12,000 per annum and received as a fee of 0.08% on the assets under administration ("AUA") per annum. Custodian fees comprise safekeeping fees, transaction fees, money transfer fees and other fees. Safekeeping of unlisted securities up to 20 securities is charged at USD 12,000 per annum. Transaction fees, money transfers fees and other fees are charged on a transaction basis.

The charges for the year for the Custodian fees were USD 101,460 (2011: USD 140,642).

11 ADMINISTRATIVE AND ACCOUNTING FEES

The administrator received a fee of 0.07% per annum for assets under administration ("AUA") less than USD 100,000,000; or 6 basis points per annum for AUA greater than USD 100,000,000 calculated on the basis of the net assets of the Company, subject to an annual minimum amount of USD 5,500 per month.

The charges for the year for the Administration and Accounting fees were USD 98,250 (2011: USD 100,000).

12 CONTROLLING PARTY

The Directors are not aware of any ultimate controlling party as at 30 June 2012 or 30 June 2011.

13 FAIR VALUE INFORMATION

For certain of the Company's financial instruments not carried at fair value, such as cash and cash equivalents, accrued dividends and other assets and creditors and accrued charges, the amounts approximate fair value due to the immediate or short term nature of these financial instruments.

Other financial instruments are measured at fair value on the statement of the net assets attributable to shareholders.

Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges (for example, London Stock Exchange, Frankfurt Stock Exchange, New York Stock Exchange) and exchanges traded derivatives like futures (for example, Nasdaq, S&P 500).
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level includes the majority of the OTC derivative contracts, traded loans and issued structured debt. The sources of input parameters like LIBOR yield curve or counterparty credit risk are Bloomberg and Reuters.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible.

The carrying amounts of financial assets at 30 June 2012 and 30 June 2011 are as follows:

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
At 30 June 2012				
Financial assets designated at fair value upon initial recognition				
Equity investments	58,014,009	-	8,695,443	66,709,452
At 30 June 2011				
Financial assets designated at fair value upon initial recognition				
Equity investments	49,743,084	-	10,396,429	60,139,513

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Assessing whether an input is significant requires judgement including consideration of factors specific to the asset or liability. Moreover, if a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that fair value measurement is a Level 3 measurement.

Although the Company believes that its estimates of fair value are appropriate, the use of different assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, if the reasonable possible alternative assumptions were

increased/decreased by 10%, the impact on profit/(loss) would be USD 869,544 (2011: USD 1,039,643).

Level 3 Reconciliation

	Financial assets designated at fair value through profit or loss	
	2012	2011
All amounts stated in USD		
Opening balance	10,396,429	16,607,618
Sales	(3,764,155)	(4,548,218)
Total gains and losses recognised in profit or loss*	2,063,169	(1,662,971)
Closing balance	8,695,443	10,396,429

* Total gains or losses recognised in profit or loss for assets and liabilities held at the end of the reporting period, as presented in the statement of comprehensive income.

14 CLASSIFICATIONS AND FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The table below provides a breakdown of the line items in the Company's statement of financial position to the categories of financial instruments.

	Note	Designated as at fair value USD	Loans and receivables USD	Other liabilities USD	Total carrying amount USD
30 June 2012					
Cash and cash equivalents	2	-	3,070,132	-	3,070,132
Investments in securities at fair value	2,3	66,709,452	-	-	66,709,452
Accrued dividends		-	143,418	-	143,418
Other receivables	5	-	73,695	-	73,695
		66,709,452	3,287,245	-	69,996,697
Payable on purchase of investments		-	-	64,856	64,856
Accrued expenses		-	-	435,812	435,812

	Note	Designated as at fair value	Loans and receivables	Other liabilities	Total carrying amount
		USD	USD	USD	USD
		-	-	500,668	500,668
30 June 2011					
Cash and cash equivalents	2	-	2,439,854	-	2,439,854
Investments in securities at fair value	2,3	60,139,513	-	-	60,139,513
Accrued dividends		-	54,740	-	54,740
Other receivables	5	-	11,203	-	11,203
		60,139,513	2,505,797	-	62,645,310
Accrued expenses		-	-	372,510	372,510
		-	-	372,510	372,510

15 EARNINGS PER SHARE

The calculation of earnings per share at 30 June 2012 was based on the change in net assets attributable to ordinary shareholders of USD 8,920,493 (2010: (USD 15,968,552)) and the weighted average number of shares outstanding of 54,998,948 (2011: 55,906,862).

At the reporting date, the warrants in issue are anti-dilutive and hence disregarded in the calculation of diluted earnings per share.

2. Unaudited interim financial information for the six months ended 31 December 2014

The unaudited interim financial statements of the Company for the six months ended 31 December 2014 are set out below. They have been accurately reproduced from the financial statements published by the Company on 28 January 2015.

The Company has been made aware of a disclosure error in the Balance Sheet as at 31 December 2014. Total equity is correctly disclosed but the Share capital and Retained earnings disclosures should have been disclosed as follows:

	Current Disclosure	Corrected Disclosure
Share Capital	116,946,921	116,364,620
Retained Earnings	7,521,739	8,104,040
Total Equity	124,468,660	124,468,660

Balance Sheet as at 31 December 2014

		Unaudited	Unaudited	Audited
		As at 31.12.14	As at 31.12.13	As at 30.06.14
	Note	USD	USD	USD
Assets				
Cash and cash equivalents	2	4,104,677	2,965,135	2,459,814
Investments in securities at fair value	2	117,300,722	107,745,708	118,526,227
Accrued interest dividends		87,003	121,709	625,811
Receivable from sale of investment		464,595	-	693,059
Other receivable		3,119,036	22,500	-
Total assets		125,076,033	110,855,052	122,304,911
Equity				
Share capital		116,946,921	121,028,708	120,094,331
Retained earnings		7,521,739	(10,529,955)	392,362
Total equity		124,468,660	110,498,753	120,486,693
Liabilities				
Payable on purchase of investment		334,520	156,057	605,360
Accrued expenses		272,853	200,242	1,212,858
Total liabilities		607,373	356,299	1,818,218
Total equity and liabilities		125,076,033	110,855,052	122,304,911

The financial statements on pages 135 to 151 were approved by the Board of Directors on 28 January 2015 and were signed on its behalf by

Min-Hwa Hu Kupfer,

Chairperson of the Board of Directors

Nguyen Quoc Khanh

Chairman of the Audit Committee

Statement of Comprehensive Income for the six month period from 1 July 2014 to 31 December 2014

		Unaudited	Unaudited	Audited
		01.07.14- 31.12.14	01.07.13- 31.12.13	01.07.14- 30.06.14
	Notes	USD	USD	USD
Income				
Dividend income from equity securities designated at fair value through profit or loss		1,715,650	1,669,965	4,087,013
Net gain from equity securities at fair value through profit or loss	7	8,026,183	11,796,279	23,123,195
Net foreign exchange (loss)/gain		(45,962)	(8,655)	(16,647)
Net investment income		9,695,871	13,457,589	27,193,561
Expenses				
Investment Management fee	8	1,238,979	957,845	2,142,403
Incentive fees		-	-	954,449
Advisory fees		91,000	75,000	149,834
Accounting fees	10	45,402	43,584	95,281
Custodian fee	9	63,193	87,719	141,827
Director fees and expenses	8	135,000	135,000	296,238
Brokerage fees		29,500	40,000	56,571
Audit fees		22,000	21,334	42,334
Publicity and investor relations fees		147,000	157,500	267,344
Insurance fees		7,750	22,500	45,000
Administration expenses		114,369	107,644	229,240
Risk management expenses		65,000	75,000	100,000
Technical assistance		25,000	25,000	41,260
Total operating expenses		1,984,193	1,748,126	4,561,781
Change in net assets attributable to shareholders		7,711,678	11,709,463	22,631,780

Statement of Changes in Equity for the six month period from 1 July 2014 to 31 December 2014

	Share Capital	Reserve for own shares	Retained Earnings	Total
	USD	USD	USD	USD
Balance at 1 July 2013	110,944,115	(1,436,175)	(22,239,418)	87,268,522
Issuance of ordinary shares	15,189,736	-	-	15,189,736
Repurchase of own shares	-	(3,668,968)	-	(3,668,968)
Warrants issuance cost	-	-	-	-
Total comprehensive income for the period				
Profit or loss	-	-	11,709,463	11,709,463
Balance at 31 December 2013	<u>126,133,851</u>	<u>(5,105,143)</u>	<u>(10,529,955)</u>	<u>110,498,753</u>
Balance at 1 July 2014	<u>126,127,956</u>	<u>(6,033,625)</u>	<u>392,362</u>	<u>120,486,693</u>
Repurchase of own shares	-	(3,729,711)	-	(3,729,711)
Total comprehensive income for the period				
Profit or loss	-	-	7,711,678	7,711,678
Balance at 31 December 2014	<u>126,127,956</u>	<u>(9,763,336)</u>	<u>8,104,040</u>	<u>124,468,660</u>

Statement of Cash Flows for the six month period from 1 July 2014 to 31 December 2014

	Unaudited	Unaudited	Audited
	01.07.14- 31.12.14	01.07.13- 31.12.13	01.07.13- 30.06.14
	USD	USD	USD
Cash flows from operating activities			
Change in net assets attributable to shareholders	7,711,678	11,709,463	22,631,780
Adjustments for:			
Dividend income	(1,715,650)	(1,669,965)	(4,087,013)
Net gain from equity securities at fair value through profit or loss	(8,026,183)	(11,796,279)	(23,123,195)
Purchase of investments	(21,280,164)	(24,429,393)	(38,903,628)
Proceeds from sale of investments	30,261,012	11,869,800	27,339,735
Unrealised foreign currency loss	45,962	8,655	16,647
Decrease/(Increase) in other receivables	(2,890,572)	1,303,554	632,995
(Decrease)/Increase in accrued expenses	(940,005)	(137,087)	875,529
Dividends received	2,254,458	1,922,364	3,835,310
Net cash from / (used in) operating activities	5,420,536	(11,218,888)	(10,781,840)
Cash flows from financing activities			
Issuance of ordinary shares	-	15,189,736	15,189,736
Repurchase of own shares	(3,729,711)	(3,668,968)	(4,597,450)
Warrants issuance cost	-	-	(5,895)
Net cash from financing activities	(3,729,711)	11,520,768	10,586,391
Net increase/(decrease) in cash and cash equivalents	1,690,825	301,880	(195,449)
Cash and cash equivalents at the beginning of the period	2,459,814	2,671,910	2,671,910
Effect of exchange rate fluctuations on cash held	(45,962)	(8,655)	(16,647)
Cash and cash equivalents at the end of the period	4,104,677	2,965,135	2,459,814

Notes to the unaudited financial information for the six month period from 1 July 2014 to 31 December 2014

1 THE COMPANY

VietNam Holding Limited ("VNH" or the "Company") is a closed-end investment holding company incorporated on April 20, 2006 as an exempted company under the Companies Law in the Cayman Islands and commenced its operations on June 15, 2006, to invest principally in securities of former State-owned Entities ("SOEs") in Vietnam, prior to, at or after the time such securities become listed on the Vietnam Stock Exchanges, including the initial privatisation of the SOEs. The Company may also invest in the securities of private companies in Vietnam, whether Vietnamese or foreign owned, and the securities of foreign companies if a significant portion of their assets are held or operations are in Vietnam.

The investment objective of the Company is to achieve long-term capital appreciation by investing in a diversified portfolio of companies that have high growth potential at an attractive valuation.

During the Annual General Meeting in September 2013 shareholders voted in favour of the continuance resolution, authorizing Vietnam Holding to operate in its current form through the 2016 General Meeting when a similar resolution will be put forward for shareholders' approval.

Vietnam Holding Asset Management Limited (VNHAM) has been appointed as the Company's Investment Manager and is responsible for the day-to-day management of the Company's investment portfolio in accordance with the Company's investment policies, objectives and restrictions.

Standard Chartered Bank, Singapore Branch and Standard Chartered Bank (Vietnam) Limited are the custodian and the sub-custodian respectively. Standard Chartered Bank, Singapore Branch is also the administrator.

The registered office of the Company is Collas Crill & CARD Ltd., Fourth Floor, Zephyr House, 122 Mary Street, PO Box 709 GT, Grand Cayman, KY1-1107, Cayman Islands.

2 PRINCIPAL ACCOUNTING POLICIES

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

(b) Basis of preparation

The financial statements are presented in United States dollars ("USD"). They are prepared on a fair value basis for financial assets and financial liabilities at fair value through profit or loss. Other assets and liabilities are stated at amortised cost.

The Company's shares were issued in USD and the listings of the shares on the AIM market of the London Stock Exchange and the Entry Standard of the Frankfurt Stock Exchange are in USD and Euro, respectively. The performance of the Company is measured and reported to the investors in USD, although the primary activity of the Company is to invest in the Vietnamese market. The Board considers the USD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in USD, which is the Company's functional currency.

The preparation of financial statements in accordance with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense. The estimates

and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimated and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. The Company is engaged in a single segment of business, being investment in Vietnam. The Board, as a whole, has been determined as constituting the chief operating decision maker of the Company. The key measure of performance used by the Board to assess the Company's performance and to allocate resources is the total return on the Company's NAV calculated as per the prospectus. Therefore a reconciliation between the measure of NAV used by the Board and that contained in these financial statements has been provided in a footnote to the statement of financial position.

(c) Changes in accounting policies

Except for the changes below, the Company has consistently applied the accounting policies as set out in Note 2 (d) to (l) to all periods presented in these financial statements.

The Company has adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 July 2013.

IFRS 13 Fair Value Measurement;

In accordance with the transitional provisions of IFRS 13, the Company has applied the new definition of fair value, as set out in Note 2(e)(iv), prospectively.

As a result, the Company has changed the valuation approach for financial assets and financial liabilities measured at fair value for which a quoted price in an active market is available. Management concluded that last traded prices for such instruments are representative of fair value and generally to use last traded prices for such instruments. In 2013, such financial assets were measured at bid price and such financial liabilities at asking price. The change in accounting policy did not have a significant impact on the measurement of the Company's assets and liabilities.

The Company has included new disclosures in the financial statements, which are required under IFRS 13. These new disclosure requirements are not included in the comparative information.

However, to the extent that disclosures were required by other standards before the effective date of IFRS 13, the Company has provided the relevant comparative disclosures under those standards.

(d) Foreign currency translation

Transactions in foreign currencies other than the functional currency are translated at the rate ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated to USD at the rates ruling on the year-end date. Foreign currency exchange differences arising on translation and realised gains and losses on disposals or settlements of monetary assets and liabilities are included in the

statement of comprehensive income. Foreign currency exchange differences relating to financial instruments at fair value through profit or loss are included in the realised and unrealised gains and losses on those investments. All other foreign currency exchange differences relating to other monetary items, including cash and cash equivalents, are included in net foreign exchange gains and losses in the statement of comprehensive income.

(e) Financial instruments

(i) Classification

The Company designates all its investments as financial assets at fair value through profit or loss category. Financial instruments are designated at fair value through profit or loss upon initial recognition. These include financial assets that are not held for trading purposes and which may be sold. These are investments in exchange-traded equity instruments and unlisted equity instruments.

Financial assets that are classified as loans and receivables include accrued dividends.

Cash and cash equivalents are valued at amortised cost.

Financial liabilities that are not at fair value through profit or loss include accrued expenses.

(ii) Recognition

Financial assets and liabilities at fair value through profit or loss are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. Other financial assets and liabilities are recognised on the date they are originated.

Financial assets and financial liabilities at fair value through profit or loss are recognised initially at fair value, which transaction costs recognised in profit or loss. Financial assets or financial liabilities not at fair value through profit or loss are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or issue.

(iii) Derecognition

A financial asset is derecognised when the Company no longer has control over the contractual rights that comprise that asset. This occurs when the rights are realised, expire or are surrendered.

Financial assets that are sold are derecognised, and the corresponding receivables from the buyer for the payment are recognised on the trade date, being the date the Company commits to sell the assets.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

(iv) Measurement

Policy applicable from 1 July 2013

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the

Company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company measures instruments quoted in an active market at a bid price.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Company recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

As at 31 December 2014, 0.6% (2013: 9.0%) of the valuations of the net assets of the Company were based on quotes obtained from brokers.

Any increases or decreases in values are recognised in the statement of comprehensive income as an unrealised gain or loss.

Policy applicable before 1 July 2013

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

When available, then the Company measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as 'active' if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

If a market for a financial instrument is not active, then the Company establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if they are available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and option pricing models. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Company, incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument. The Company calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data.

Assets and long positions are measured at a bid price; liabilities and securities sold short are measured at an asking price.

(v) Gains and losses on subsequent measurement

Gains and losses arising from a change in the fair value of financial instruments are recognised in the statement of comprehensive income.

(vi) Impairment

Financial assets that are stated at cost or amortised cost are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such indication exists, an impairment loss is recognised in the profit or loss as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

If in a subsequent period the amount of an impairment loss recognised on a financial asset carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the impairment is reversed through the statement of comprehensive income.

(vii) Cash and cash equivalents

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

(f) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Company has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis or simultaneously, e.g. through a market clearing mechanism.

(g) Amounts due to/from brokers

Amounts due to/from brokers represent security purchases and sales transactions which are contracted for but not yet delivered at the end of the accounting period.

(h) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effect.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

(i) Taxation

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

At present, no income, profit, capital, or capital gain taxes are levied in the Cayman Islands, and accordingly, no provision for such taxes has been recorded by the Company in the accompanying financial statements. In the event that such taxes are levied, the Company has received an undertaking from the Governor in Cabinet of the Cayman Islands exempting it from all such taxes for a period of twenty years from 2 May 2006.

The Company is liable to Vietnamese tax of 0.1% (2013: 0.1%) on the sales proceeds of the onshore sale of equity investments. This is included in net gain/(loss) from equity securities at fair value through profit or loss.

(j) Interest income and expense

Interest income and expense is recognised in the statement of comprehensive income using the effective rate method.

Interest income includes the amortisation of any discount or premium on zero coupon bonds, which is taken as income on the basis of yield to redemption, from the date of purchase.

(k) Dividend income

Dividend income is recognised in profit or loss on the date on which the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date on which the shareholders approve the payment of a dividend. Dividend income from equity securities designated as at fair value through profit or loss is recognised in profit or loss in a separate line item.

(I) Fee and commission expense

Fees and commission expenses are recognised in profit or loss as the related services are performed.

3 FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

Financial assets of the Company include investments in securities, cash and cash equivalents and accrued income. Financial liabilities are comprised of accrued charges. Accounting policies for financial assets and liabilities are set out in note 2.

The Company's investment activities expose it to various types of risk that are associated with the financial instruments and the markets in which it invests. The most important types of financial risk to which the Company is exposed are market risk, currency risk, credit risk and liquidity risk.

Asset allocation is determined by the Company's Investment Manager who manages the distribution of the assets to achieve the investment objectives. Divergence from target asset allocations and the composition of the portfolio is monitored by the Investment Manager.

Market risk

Market risk is the risk that the value of a financial asset will fluctuate as a result of changes in market prices, whether or not those changes are caused by factors specific to the individual asset or factors affecting all assets in the market. The Company is predominately exposed to market risk within its securities purchased on the Vietnamese market.

The overall market positions are monitored continuously by the Investment Manager and at least quarterly by the Board of Directors.

The Company's investments in securities are exposed to market risk and are disclosed by the following generic investment types:

Description	31.12.14		31.12.13		30.06.14	
	Fair Value in USD	% of net assets	Fair Value in USD	% of net assets	Fair Value in USD	% of net assets
Shares and similar investments – listed	116,515,605	93.61	99,644,138	90.18	117,131,478	97.22
Shares and similar investments – unlisted	785,117	0.63	8,101,570	7.33	1,394,749	1.16
	<u>117,300,722</u>	<u>94.24</u>	<u>107,745,708</u>	<u>97.51</u>	<u>118,526,227</u>	<u>98.38</u>

At 31 December 2014, a 5% reduction in the market value of the portfolio would have led to a reduction in net asset value of USD 5,865,036 (31.12.13:5,387,285). A 5% increase in market value would have led to an equal and opposite effect.

Currency risk

The Company may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency of USD. Consequently, the Company is exposed to risks that the exchange rate of its currency relative to other currencies may change and have an

adverse effect on the value of the Company's assets or liabilities denominated in currencies other than USD.

The Company's net assets are calculated every month based on the most up to date exchange rates while the general economic and foreign currency environment is continuously monitored by the investment manager and reviewed by the VNH Board of Directors at least once per quarter.

The Company may enter into arrangements to hedge currency risks if such arrangements become desirable and practicable in the future in the interest of efficient portfolio management.

As at 31 December 2014, the Company had the following currency exposure:

	Fair value	Fair value	Fair value
	31.12.14	31.12.13	30.06.14
	USD	USD	USD
Vietnamese Dong	117,953,377	108,424,518	120,036,280
Pound Sterling	25,371	1,285	11,144
Swiss Franc	67	33,349	13,350
Euro	23,789	1,003	997
	118,002,604	108,460,155	120,061,771

At 31 December 2014, a 5% reduction in the value of the Vietnamese Dong, Pound Sterling, Swiss Franc and Euro would have led to a reduction in net asset value of USD 5,900,130 (31.12.13: USD 5,423,008). A 5% increase in value would have led to an equal and opposite effect.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company.

At 31 December 2014, the following financial assets were exposed to credit risk (including settlement risk): cash and cash equivalents, accrued dividend and other receivables. The total amount of financial assets exposed to credit risk amounted to USD 7,775,311 (31.12.13: USD 3,109,346).

Substantially all of the assets of the Company are held by Standard Chartered Bank (Singapore). Bankruptcy or insolvency of the bank and custodian may cause the Company's rights with respect to cash and securities held by the bank and custodian to be delayed or limited. The Company monitors its risk by monitoring the credit quality and financial positions of the bank and custodian the Company uses.

Liquidity risk

The Company, a closed-end investment company, will invest in companies through listings on the Vietnam Stock Exchanges or on other stock exchanges. There is no guarantee however that the Vietnam Stock Exchanges will provide liquidity for the Company's investments in unlisted companies. The Company may have to resell such investments in privately negotiated transactions.

The Company's overall liquidity risks are monitored on at least a quarterly basis by the Board of Directors. The Company is a closed-end Investment Company so shareholders cannot redeem their shares directly from the Company.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The majority of the Company's financial assets are non-interest-bearing. Interest-bearing financial assets and interest-bearing financial liabilities mature or reprice in the short-term, no longer than twelve months. As a result, the Company is subject to limited exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates.

4 OPERATING SEGMENTS

Information on realised gains and losses derived from sales of investments are disclosed on the statement of comprehensive income.

The Company is domiciled in the Cayman Islands. Entity wide disclosures are necessary as the Company is engaged in a single segment of business, investing in Vietnam. In presenting information on the basis of geographical segments, segment investments and the corresponding segment net investment income arising thereon are determined based on the country of domicile of the respective investment entities.

All of the Company's investments in securities at fair value are domiciled in Vietnam as at 31 December 2014 and 2013. All of the Company's investment income can be attributed to Vietnam for the years ended 30 June 2014 and 2013.

5 OTHER RECEIVABLES

	31.12.14	31.12.13	30.06.14
	USD	USD	USD
Other receivables	3,111,286	-	-
Prepayment	7,750	22,500	-
	<hr/> 3,119,036	<hr/> 22,500	<hr/> -

6 SHARE CAPITAL

Ordinary shares of US\$1 each

The ordinary shares have been created pursuant to the Companies Law in the Cayman Islands. The Company was incorporated with an authorised share capital of USD100,000,000 divided into 100,000,000 ordinary shares of USD1 each. On 23 September 2010, during its annual general meeting, the shareholders approved that the Company's authorised share capital be increased by USD100,000,000, divided into 200,000,000 shares of a nominal or par value of USD1.00 each. According to the Companies Law and articles of association, the Company may from time to time redeem all or any portion of the shares held by the shareholders upon giving notice of not less than 30 calendar days to the shareholders.

On 6 June 2006, the Board resolved that 56,250,000 ordinary shares would be allotted at a placing price of USD2 per ordinary share. The ISIN number of the ordinary shares is KYG9361X043.

On 23 September 2010, during its annual general meeting, the shareholders approved a Share Repurchase Programme. The approval was renewed on its annual general meetings on 2011, 2012, 2013 and 2014.

	31.12.14	31.12.13	30.06.14
	No. of shares	No. of shares	No. of shares
Total shares issued and fully paid (after repurchases and cancellations) at beginning of the period	67,537,240	54,836,792	54,836,792
Shares issued upon exercise of warrants during the period	-	12,700,448	12,700,448
	<u>67,537,240</u>	<u>67,537,240</u>	<u>67,537,240</u>
Repurchased and reserved for own shares			
At beginning of the period	(4,815,215)	(1,306,381)	(1,306,381)
During the period	(2,265,491)	(2,867,179)	(3,508,834)
	<u>(7,080,706)</u>	<u>(4,173,560)</u>	<u>(4,815,215)</u>
Total outstanding ordinary shares with voting rights	60,456,534	63,363,680	62,722,025

The Company strives to invest the capital raised to meet the Company's investment objectives which are to achieve long term capital appreciation through a diversified portfolio of companies that have high potential in Vietnam.

The Company does not have any externally imposed capital requirements.

Incremental costs directly attributable to the issue or redemption of ordinary shares are recognised directly in equity as a deduction from the proceeds or part of the acquisition cost.

The Company's general intention is to reinvest the capital received on the sale of investments. However, the Board may from time to time and at its discretion, either use the proceeds of sales of investments to meet the Company's expenses or distribute them to shareholders. Alternatively, the Board of Directors may redeem ordinary shares with such proceeds for shareholders pro rata to their shareholding upon giving notice of not less than 30 calendar days to shareholders (subject always to applicable law).

Warrants

On 21 May 2012, the Company issued a prospectus for a bonus issue of warrants to shareholders pro rata, on the basis of one warrant for every three ordinary shares held. The exercise date of these warrants was initially on 13 December 2012 with an exercise price of USD1.196 per share. Both Shareholders and Warrant holders gave their approval to a proposal of extension of the term of the warrants through the addition of two exercise dates, 25 April 2013 and 25 September 2013.

At the reporting date, all warrants were either exercised or expired and no warrants were outstanding.

On 25 September 2013 and 9 October 2013, 12,700,448 (1H-2013: 221,750) shares were issued following the exercise of subscription rights by holders of the warrants and the remaining 5,238,909 unexercised warrants were lapsed.

7 NET GAIN FROM EQUITY SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	31.12.14	31.12.13	30.06.14
	USD	USD	USD
Net gain from equity securities at fair value through profit or loss:			
Realised loss/gain	10,303,574	(4,227,090)	38,415
Adjustment to fair value of equity securities at fair value through profit or loss	(2,277,391)	16,023,369	23,084,780
	8,026,183	11,796,279	23,123,195

8 RELATED PARTY TRANSACTIONS

Investment Management fees

The Investment Manager is entitled to receive a monthly management fee, paid in the manner set out as below:

- On the amount of the Net Asset Value of the Company up to and including USD100 million, one-twelfth of two per cent.;
- On the amount of the Net Asset Value of the Company above USD100 million up to and including USD150 million, one-twelfth of 1.75 per cent.; and
- On the amount of the Net Asset Value of the Company that exceeds USD150 million, one-twelfth of 1.50 per cent.

The total fees accruing to the Investment Manager for the six month period to 31 December 2014 were USD 1,238,979 (31.12.13: USD 957,845) as a management fee and USD 80,000 (31.12.13: USD 80,000) for administrative support. At 31 December 2014, USD 102,429 due to the Investment Manager are included in accrued expenses (31.12.13: USD 89,665).

Incentive fees

The Company will pay the Investment Manager an incentive fee equal to 15 per cent of the Excess Performance Amount each year, subject to certain criteria being met. Excess Performance Amount is calculated as follows:

Excess Performance Amount = (Adjusted NAV per share – Initial High Water Mark) x Weighted Average number of shares.

The initial high water mark is calculated as the NAV as at 30 September 2013 increased by 8%. After the initial accounting period (i.e. 30 June 2014), the initial high water mark will be increased by 5% per annum on a compound basis.

The fee is calculated and payable as set out in the Investment Management Agreement Side Letter dated 11 September 2013 and the additional Side Letter dated 19 November 2013.

However, the maximum incentive fee that can be earned by and paid to the investment manager in respect of any accounting period shall be equal to three per cent of the NAV of the Company at the end of the relevant accounting period.

Directors' fees and expenses

The Board will determine the fees payable to each Director, subject to a maximum aggregate amount of USD 350,000 per annum being paid to the Board as a whole. The Company will also pay reasonable expenses incurred by the Directors in the conduct of the Company's business including travel and other expenses. The Company will pay for directors and officers liability insurance coverage.

The charges for the six month period to 31 December 2014 for the Directors fees were USD 135,000 (31.12.13: USD 135,000) of which expenses were USD 60,000 (31.12.13: USD 60,000).

Directors' ownership of shares

As at 31 December 2014, three Directors, Min-Hwa Hu Kupfer, Nguyen Quoc Khanh and Rolf Dubs held 36,667 (2013: 36,667), 10,000 (2013: 10,000) and 30,000 (2013: 30,000) ordinary shares of the Company respectively, representing 0.06% (2013: 0.06%), 0.02% (2013: 0.02%) and 0.05% (2013: 0.05%) of the total shares outstanding.

9 CUSTODIAN FEES

Custodian fees are charged at a minimum of USD12,000 per annum and received as a fee of 0.08% on the assets under administration ("AUA") per annum. Custodian fees comprise safekeeping fees, transaction fees, money transfer fees and other fees. Safekeeping of unlisted securities up to 20 securities is charged at USD12,000 per annum. Transaction fees, money transfers fees and other fees are charged on a transaction basis.

The charges for the six month period to 31 December 2014 for the Custodian fees were USD 63,193 (31.12.13: USD 87,719).

10 ADMINISTRATION AND ACCOUNTING FEES

The administrator receives a fee of 0.07% per annum for assets under administration ("AUA") less than USD100,000,000; or 0.06% per annum for AUA greater than USD100,000,000 calculated on the basis of the net assets of the Company, subject to an annual minimum amount of USD5,500 per month.

The charges for the six month period to 31 December 2014 for the Administration and Accounting fees were USD 45,402 (31.12.13: USD 43,584).

11 CONTROLLING PARTY

The Directors are not aware of any ultimate controlling party as at 31 December 2014 or 31 December 2013.

12 FAIR VALUE INFORMATION

For certain of the Company's financial instruments not carried at fair value, such as cash and cash equivalents, accrued dividends and other assets and creditors and accrued charges, the amounts approximate fair value due to the immediate or short term nature of these financial instruments.

Other financial instruments are measured at fair value on the statement of comprehensive income.

Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges (for example, London Stock Exchange, Frankfurt Stock Exchange, New York Stock Exchange) and exchanges traded derivatives like futures (for example, Nasdaq, S&P 500).
- **Level 2:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level includes the majority of the OTC derivative contracts, traded loans and issued structured debt. The sources of input parameters like LIBOR yield curve or counterparty credit risk are Bloomberg and Reuters.
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. All fair value measurements below are recurring.

	Level 1	Level 2	Level 3	Total
As at 31 December 2014	USD	USD	USD	USD
Financial assets designated at fair value upon initial recognition				
Equity Investments	116,515,605	-	785,117	117,300,722
	116,515,605	-	785,117	117,300,722
As at 31 December 2013	USD	USD	USD	USD
Financial assets designated at fair value upon initial recognition				
Equity Investments	99,644,138	-	7,529,735	67,505,788
	99,644,138	-	7,529,735	67,505,788

PART VI THE TERMS OF THE WARRANTS

The Warrants are constituted by, and will be issued subject to and with the benefit of, a Deed Poll of the Company dated the date of this document (the **Warrant Instrument**). Holders of Warrants will be bound by all the terms and conditions set out in the Warrant Instrument.

1 Subscription rights

- (a) A holder of Warrants shall have rights (subscription rights) to subscribe in cash on an Exercise Date (being 1 June 2016, 1 December 2016 and 1 June 2017 or, if any such date is not a Business Day, the next following Business Day) for all or any of the Shares for which he or she is entitled to subscribe under such Warrants of which he or she is the holder at the Exercise Price payable in full on subscription, subject to adjustment as provided in paragraph 2 below. The number of Shares to which each Warrant relates is (prior to any adjustment as provided in paragraph 2 below) one Share. The Exercise Price, the number of Warrants outstanding and the number and/or nominal value of the Shares to be subscribed upon exercise of the Warrants shall be subject to adjustment as provided in paragraph 2 below. The Warrants registered in a holder's name will be evidenced by a Warrant certificate issued by the Company or, in the case of Uncertificated Warrants, by means of any relevant computer based system enabling title to units of a security to be evidenced and transferred without a written instrument (the **Relevant Electronic System**).
- (b) In order to exercise subscription rights in whole or in part the holder of Warrants must:
- (i) send a notice of subscription (a **certificated notice of exercise**) to the Registrars on any Business Day during the period of 28 days ending at 5.00 p.m. on the relevant Exercise Date (all dates inclusive) and send a remittance for the aggregate Exercise Price payable on subscription for the Shares in respect of which the subscription rights are exercised. Any notice of subscription or remittance received after 5.00 p.m. on any Business Day will be treated as having been received on the following Business Day; or
- (ii) in the case of Uncertificated Warrants (as defined in paragraph 8(f) of this Part VI), on the Exercise Date (not later than 5.00 p.m. on the relevant Business Day) arrange for the payment to the Registrars or Depositary, as appropriate, (in the manner from time to time prescribed by the Board subject always to the facilities and requirements of the Relevant Electronic System concerned) of the aggregate Exercise Price payable on subscription for the Shares in respect of which the subscription rights are exercised and send to the Registrars or Depositary, as appropriate, or such person as the Company may require (including, without limitation, any sponsoring system-participant acting on behalf of the Company, the Registrars or the Depositary) a properly authenticated dematerialised instruction (an **uncertificated notice of exercise**). The properly authenticated dematerialised instruction shall be:
- (A) in the form from time to time prescribed by the Board and having the effect determined by the Board from time to time; and
- (B) addressed to the Company or the Depositary, as appropriate, attributable to the system member who is the registered Warranholder and identify (in accordance with the form prescribed by the Board as aforesaid) the Warrants in respect of which the subscription rights are to be exercised; and
- provided always that:
- (C) the Board may in its discretion permit the holder of any Uncertificated Warrant to exercise his subscription rights by some other means (including if

the Company or any sponsoring system-participant acting on behalf of the Company is unable at any time and for any reason to receive properly authenticated dematerialised instructions) in accordance with applicable laws;

- (D) the Board may in its discretion require, in addition to the receipt of a properly authenticated dematerialised instruction as referred to above, the holder of any Uncertificated Warrant to complete and deliver to the Company (or the Registrars) on or prior to the Exercise Date, a notice in such form as may from time to time be prescribed by the Board;
- (E) the Board may in its discretion determine when any such properly authenticated dematerialised instruction and/or other instruction or notification is to be treated as received by the Company or by such other person as it may require for these purposes; and
- (F) for the avoidance of doubt, the form of the properly authenticated dematerialised instruction as referred to above may be such as to divest the Warranthead concerned of the power to transfer such Uncertificated Warrant to another person.

All notices, instructions and any other steps required by this paragraph 1(b) shall be subject always to the facilities and requirements of the Relevant Electronic System concerned.

- (c) Not earlier than 56 days nor later than 28 days before the Final Exercise Date, the Company shall give notice in writing to the holders of the outstanding Warrants reminding them of their subscription rights. Failure by any holder to receive such notice shall not prejudice his rights, nor those of any other holder, to subscribe for Shares pursuant to their Warrants.
- (d) Unless the Directors otherwise determine, or unless the Regulations and/or the rules of the relevant system concerned otherwise require, the Shares arising on exercise of the Warrants shall be issued in uncertificated form (where the Warrants exercised were in uncertificated form on the relevant Exercise Date) or in certificated form (where the Warrants exercised were in certificated form on the Exercise Date). Shares issued pursuant to the exercise of subscription rights will be allotted not later than 21 days after, and with effect from, the relevant Exercise Date. In the case of any Warrants that were in certificated form on the relevant Exercise Date, certificates in respect of such Shares will be issued free of charge and despatched (at the risk of the person(s) entitled thereto) not later than 28 days after the relevant Exercise Date to the person(s) in whose name(s) the Warrants are registered at the date of such exercise (and, if more than one, to the first named, which shall be sufficient despatch for all) or (subject as provided by law and to payment of stamp duty, stamp duty reserve tax or any like tax as may be applicable) to such other person(s) as may be named in the form of nomination available from the Registrar (and, if more than one, to the first named, which shall be sufficient despatch for all). In the case of any Warrants in uncertificated form, evidence of title to the Shares allotted will be recorded in accordance with the Regulations and/or the rules of the relevant system concerned. No form of nomination may be submitted in respect of uncertificated Warrants unless and until the Directors otherwise determine in accordance with the rules of the relevant system.
- (e) Shares issued pursuant to the exercise of subscription rights will be allotted not later than 21 days after and with effect from the relevant Exercise Date and certificates in respect of such Shares will be despatched (at the risk of the person(s) entitled thereto) not later than 28 days after the relevant Exercise Date to the person(s) in whose name the Warrant is registered at the date of such exercise (and, if more than one, to the first-named, which shall be sufficient despatch for all).

- (f) No fractions of a Share will be issued on the exercise of any Warrant, provided that if more than one Warrant is exercised at the same time by the same holder then, for the purposes of determining the number of Shares to be issued upon the exercise of such Warrants and whether (and, if so, what) fraction of a Share arises, the number of Shares arising on the exercise of each Warrant (including for this purpose fractions) shall first be aggregated. Any fractions of Shares arising on the exercise of Warrants on the relevant Exercise Date shall be aggregated and, if practicable, sold in the market. The net proceeds of such sale will be paid to the holders of Warrants entitled thereto in proportion to the fractions arising on exercise of their Warrants, save that amounts of less than US\$20.00 per holder will be retained for the benefit of the Company or, at the Company's discretion, donated to a charity of the Company's choice.
- (g) Shares allotted pursuant to the exercise of subscription rights will not rank for any dividends or other distributions declared, paid or made on the Shares by reference to a record date prior to the relevant Exercise Date but, subject thereto, will rank in full for all dividends and other distributions declared, paid or made on the Shares and otherwise will rank pari passu in all other respects with the Shares in issue at the relevant Exercise Date.
- (h) For so long as the Company' share capital is admitting to trading on AIM and/or the Entry Standard, it is the intention of the Company to apply for the Shares allotted pursuant to any exercise of subscription rights to be admitted to trading on AIM and/or the Entry Standard (as the case may be) and the Company will use all reasonable endeavours to obtain such admissions as soon as practicable and, in any event, not later than 14 days after the allotment thereof.
- (i) By no later than seven days following the Final Exercise Date, the Company shall appoint a trustee who, provided that in his opinion the net proceeds of sale after deduction of all costs and expenses incurred by, and any fee payable to, him will exceed the costs of subscription, shall within the period of 14 days following the Final Exercise Date exercise the subscription rights which shall not have been exercised, on the terms (subject to any adjustments made previously pursuant to paragraph 2 below) on which the same could have been exercised on the Final Exercise Date (save that the Shares to be issued on exercise will be issued in the name of the appointed trustee (or to such person(s) as the trustee nominates for such purposes)) and sell in the market the Shares acquired on such subscription. The trustee shall distribute pro rata the net proceeds of such sale (after deduction of any costs and expenses incurred by, and any fee payable to, him) less such subscription costs to the persons entitled thereto at the risk of such persons within two months of the Final Exercise Date, provided that entitlements of under US\$20.00 per holder shall be retained for the benefit of the Company or, at the Company's discretion, donated to a charity of the Company's choice. If the trustee shall not exercise the subscription rights within the period of 14 days following the Final Exercise Date (and so that his decision in respect thereof shall be final and binding on all holders of outstanding Warrants), any outstanding Warrants shall lapse at the expiry of the period of 14 days following the Final Exercise Date.
- (j) The trustee referred to in paragraph 1(i) above shall have no liability of any nature whatsoever where he has acted honestly and reasonably and shall have no responsibility for the safe custody of, or to earn any interest on, any unpaid or unclaimed money.
- (k) The Warrants and the Shares arising on the exercise of the subscription rights have not been and will not be registered under the Securities Act or the securities laws of any other Restricted Territory and the relevant exemptions have not been and will not be obtained from the securities commission or similar regulatory authority of any province of Canada. The Warrants and the Shares to be issued upon exercise of the subscription rights may not be offered, sold, resold, taken up, exercised, renounced, transferred or delivered, directly or indirectly, into or within any Restricted Territory or to any citizen or resident of any Restricted Territory (a **Restricted Person**) or to or for the benefit of any such person. Persons subscribing for Shares in connection with the exercise of subscription rights shall (unless the relevant Shares can lawfully be allotted to them) be

deemed to represent and warrant to the Company that they are not a Restricted Person and that they are not subscribing for such Shares for the account of any Restricted Person and are not subscribing with a view to the re-offer or re-sale of such Shares, directly or indirectly, in any Restricted Territory and will not offer, sell, renounce, transfer or deliver, directly or indirectly, such Shares in any Restricted Territory or to or for the benefit of any Restricted Person.

- (l) The exercise of subscription rights by any holder of Warrants who is a Restricted Person or the right of such a person to receive the Shares falling to be issued to them following the exercise of their subscription rights will be subject to such other requirements, conditions, restrictions, limitations or prohibitions as the Company may at any time impose, in its sole discretion, for the purpose of complying with (or for avoiding any requirement which would otherwise arise to comply with) the securities laws of the United States (including, without limitation, the Securities Act, the Investment Company Act and any rules or regulations promulgated thereunder) and the laws of any other Restricted Territory.

2 Adjustments of subscription rights

The Exercise Price (and the number of Warrants outstanding and the number and/or the nominal value of the Shares to be subscribed upon exercise of the Warrants) shall from time to time be adjusted in accordance with the provisions of this paragraph 2.

- (a) If and whenever there shall be an alteration on a date (or by reference to a record date) on or before the Final Exercise Date in the nominal amount of the Shares as a result of a consolidation or sub-division, the Exercise Price shall be adjusted by multiplying it by a fraction of which the numerator shall be the nominal amount of one such Share immediately after such alteration and the denominator shall be the nominal amount of one such Share immediately prior to such alteration, and such adjustment shall become effective on the date the alteration takes effect.
- (b) If and whenever the Company shall allot to holders of Shares any Shares credited as fully paid by way of capitalisation of reserves or profits (other than Shares paid up out of distributable reserves and issued in lieu of a cash dividend) on a date (or by reference to a record date) on or before the Final Exercise Date, the Exercise Price in force immediately prior to such allotment shall be adjusted by multiplying it by a fraction of which the numerator shall be the aggregate nominal amount of the issued Shares immediately before such allotment and the denominator shall be the aggregate nominal amount of the issued and allotted Shares immediately after such allotment, and such adjustment shall become effective as at the date of allotment of such Shares.
- (c) If on a date (or by reference to a record date) before the Final Exercise Date, the Company makes any offer or invitation (whether by way of rights issue, open offer or otherwise but not being an offer made in connection with scrip dividend arrangements) to the holders of the Shares (subject to such exclusions as may be necessary to deal with legal, regulatory or practical problems in any jurisdiction) to subscribe for new Shares or securities convertible into or exchangeable for Shares or conferring rights to subscribe for Shares, or any offer or invitation (not being an offer to which paragraph 3(g) below applies) is made to such holders otherwise than by the Company, then the Company shall, so far as it is able, procure that at the same time the same offer or invitation is made to the then holders of the Warrants as if their subscription rights had been exercisable and had been exercised on the date immediately preceding the record date for such offer or invitation on the terms (subject to any adjustment made previously pursuant to paragraphs 2(a) to (f)) on which the same could have been exercised if they had been exercisable on that date, provided that, if the Directors so resolve in the case of any such offer or invitation made by the Company, the Company shall not be required to procure that the same offer or invitation is made to the then holders of the Warrants but the Exercise Price shall be adjusted:

- (i) in the case of an offer of new Shares for subscription (by way of a rights issue or open offer) at a price less than the NAV per Share as at the close of business on the business day immediately preceding the date of announcement of the terms (including the pricing) of the offer (the **Pricing Date**) (a **Dilutive Share Offer**), by multiplying the Exercise Price in force immediately before the Pricing Date by a fraction of which (x) the numerator is the Fully Diluted NAV per Share as at the close of business on the business day immediately preceding the Pricing Date and (y) the denominator is the Diluted NAV per Share as at the close of business on the business day immediately preceding the Pricing Date; and
- (ii) in the case of an offer under which securities convertible into, or exchangeable for, Shares or conferring rights of subscription for Shares are offered by the Company (by way of a rights issue or open offer) and the price at which such securities are convertible into or exchangeable for Shares or the price at which Shares may be subscribed pursuant to the rights conferred by such securities (as the case may be) is less than the NAV per Share as at the close of business on the business day immediately preceding the Pricing Date (a **Dilutive Alternative Securities Offer**), by multiplying the Exercise Price in force immediately before the Pricing Date by a fraction of which (x) the numerator is the Fully Diluted NAV per Share as at the close of business on the business day immediately preceding the Pricing Date and (y) the denominator is the Diluted NAV per Share as at the close of business on the business day immediately preceding the Pricing Date; and
- (iii) in any other case, in such manner as the independent financial advisers appointed by the Board (the **Financial Advisers**) shall report in writing to be fair and reasonable.

For the purposes of this paragraph 2(c):

- (I) Relevant Securities means any securities of the Company (including the Warrants) in issue as at the relevant date which are convertible into, or exchangeable for, Shares or which confer rights of subscription for Shares or which otherwise could result in the issue of new Shares, in each case at a price less than the then prevailing net asset value per Share;
- (II) the Diluted NAV per Share shall be the amount calculated in accordance with the following formula:

$$\text{DNAV} = \frac{A + B}{C + D}$$

where:

- DNAV = the Diluted NAV per Share;
- A = the net assets of the Company as at the close of business on the business day immediately preceding the Pricing Date;
- B = an amount equal to the product of (x) the number of new Shares which would fall to be issued by the Company if the rights conferred by all Relevant Securities were exercisable and had been exercised in full on the business day immediately preceding the Pricing Date at the conversion, exchange or subscription price (as the case may be) applicable on the next occasion on which such rights are then capable of exercise (disregarding, in the case of the Warrants, any adjustment required by reason of the relevant offer or invitation under this paragraph 2(c)) and (y) such conversion, exchange or subscription price (as the case may be);

- C = the number of Shares in issue as at the Pricing Date;
- D = the number of new Shares that would result from the exercise in full (on the basis set out in B above) of all the rights conferred by the Relevant Securities; and

(III) the Fully Diluted NAV per Share shall be the amount calculated in accordance with the following formula:

$$AV = \frac{A + B + E}{C + D + F}$$

where:

- FDNAV = the Fully Diluted NAV per Share;
- A = the net assets of the Company as at the close of business on the business day immediately preceding the Pricing Date;
- B = an amount equal to the product of (x) the number of new Shares which would fall to be issued by the Company if the rights conferred by all Relevant Securities were exercisable and had been exercised in full on the business day immediately preceding the Pricing Date at the conversion, exchange or subscription price (as the case may be) applicable on the next occasion on which such rights are then capable of exercise (disregarding, in the case of the Warrants, any adjustment required by reason of the relevant offer or invitation under this paragraph 2(c)) and (y) such conversion, exchange or subscription price (as the case may be);
- C = the number of Shares in issue as at the Pricing Date;
- D = the number of new Shares that would result from the exercise in full (on the basis set out in B above) of all the rights conferred by the Relevant Securities;
- E = (i) in the case of a Dilutive Share Offer, an amount equal to the number of new Shares offered for subscription multiplied by the issue price less the expenses of the offer and (ii) in the case of a Dilutive Alternative Securities Offer, an amount equal to the aggregate of (a) the product of (x) the number of new Shares which would fall to issue by the Company if the rights to be conferred by all the securities the subject of the offer were exercisable and had been exercised in full on the business day immediately preceding the Pricing Date at the initial conversion, exchange or subscription price (as the case may be) and (y) such conversion, exchange or subscription price (as the case may be), less the expenses of the Dilutive Alternative Securities Offer and (b) the net proceeds of such offer to be received by the Company to the extent (if any) not reflected in (a); and
- F = (i) in the case of a Dilutive Share Offer, the number of new Shares the subject of the offer assuming the same had been issued on the business day immediately preceding the Pricing Date and (ii) in the case of a Dilutive Alternative Securities Offer, the number of new Shares that would result from the exercise in full of the rights conferred by all the securities the subject of the offer if such rights were exercisable and had been exercised in full on the business day

immediately preceding the Pricing Date.

- (d) No adjustment shall be made to the Exercise Price pursuant to paragraph 2(a), (b) or (c) above (other than by reason of and to reflect a consolidation of Shares as referred to in paragraph 2(a) above) if it would result in an increase in the Exercise Price and, in any event, no adjustment shall be made if such adjustment would (taken together with the amount of any adjustment carried forward under the provisions of this paragraph 2(d)) be less than 1 per cent. of the Exercise Price and on any adjustment the adjusted Exercise Price will be rounded down to the nearest one-tenth of a cent (US\$0.001). Any adjustment not so made and any amount by which the Exercise Price is rounded down will be carried forward and taken into account in any subsequent adjustment.
- (e) Whenever the Exercise Price is adjusted in accordance with paragraphs 2(a) to (d) above (other than by reason of and to reflect a consolidation of Shares as referred to in paragraph 2(a) above), the Company shall, subject as provided below, issue, for no payment, additional Warrants to each holder of Warrants at the same time as such adjustment takes effect. The number of additional Warrants to which a holder of Warrants will be entitled shall be the number of existing Warrants held by him multiplied by the following fraction:

$$\frac{X - Y}{Y}$$

where:

X = the Exercise Price immediately before the adjustment; and

Y = the Exercise Price immediately after the adjustment.

Fractions of Warrants will not be allotted to holders of Warrants but all such fractions will be aggregated and, if practicable, sold in the market. The net proceeds will be paid to the holders of Warrants entitled thereto at the risk of such persons, save that amounts of less than US\$20.00 will be retained for the benefit of the Company.

The Company may, following such an adjustment to the Exercise Price, elect to adjust the subscription terms of the existing Warrants (as opposed to issuing additional Warrants) so that the number and/or nominal value of Shares to be subscribed on any subsequent exercise of the Warrants will be increased or, as the case may be, reduced in due proportion (fractions being ignored on an aggregated basis) so as to maintain the same cost of exercising the subscription rights of each holder of Warrants. Such adjustment shall be determined by the Directors and the Financial Advisers shall confirm that, in their opinion, the adjustments have been determined in all material respects in accordance with the provisions of the Warrant Instrument.

- (f) Whenever the Exercise Price is adjusted in accordance with this paragraph 2 by reason of a consolidation of Shares as referred to in paragraph 2(a) above, the number of Shares for which each holder is entitled to subscribe will be reduced accordingly.
- (g) The Company shall give notice to holders within 28 days of any adjustment made pursuant to paragraphs 2(a) to (f) above and, if appropriate, within such period despatch Warrant certificates (at the risk of the persons entitled thereto) to the holders in respect of any additional Warrants.
- (h) If a holder shall become entitled to exercise his subscription rights pursuant to paragraph 3(g) below, the Exercise Price payable on such exercise (but not otherwise) shall be

reduced by an amount determined by the Financial Advisers in accordance with the following formula:

$$A = (B + C) - D$$

where:

- A = the reduction in the Exercise Price;
- B = the Exercise Price which would, but for the provisions of this paragraph 2(h), be applicable (subject to any adjustments previously made pursuant to paragraphs 2(a) to (f) above) if the subscription rights were exercisable on the date on which the Company shall become aware as provided in paragraph 3(g) below;
- C = the average of the middle market quotations (as derived from AIM) for one Warrant for the 10 consecutive AIM dealing days ending on the dealing day immediately preceding the date of the announcement of the offer referred to in paragraph 3(g) below (or, where such offer is a revised offer, the original offer) or, if applicable and earlier, the date of the first announcement of the intention to make such offer or original offer or of the possibility of the same being made; and
- D = the average of the middle market quotations (as derived from AIM) for one Share for the 10 consecutive AIM dealing days referred to in the definition of C above,

provided that:

- (i) the Exercise Price shall not be reduced so as to cause the Company to be obliged to issue Shares at a discount to nominal value and, if the application of the above formula would, in the absence of this sub-paragraph 2(h)(i), have reduced the Exercise Price to below the nominal value of a Share, the number of Shares to be subscribed pursuant to paragraph 3(g) below shall be adjusted in such manner as the Financial Advisers shall report to be appropriate to achieve the same economic result for the holders of the Warrants as if the Exercise Price had been reduced without regard to this sub-paragraph 2(h)(i);
- (ii) the Exercise Price shall not be reduced where the value of D exceeds the aggregate value of B and C in the above formula.

The notice required to be given by the Company under paragraph 3(g) below shall give details of any reduction in the Exercise Price pursuant to this paragraph 2(h).

- (i) For the purpose of determining whether paragraph 3(i) below shall apply and, accordingly, whether each holder of a Warrant is to be treated as if his subscription rights had been exercisable and had been exercised as therein provided, the Exercise Price which would have been payable on such exercise shall be reduced by an amount determined by the Financial Advisers in accordance with the following formula:

$$A = (B + C) - D$$

where:

- A = the reduction in the Exercise Price;
- B = the Exercise Price which would, but for the provisions of this paragraph 2(i), be applicable (subject to any adjustments previously made pursuant to

paragraphs 2(a) to (f) above) if the subscription rights were exercisable immediately before the date on which the order referred to in paragraph 2(j) below shall be made or on which the effective resolution referred to in that paragraph shall be passed (as the case may be);

- C = the average of the middle market quotations (as derived from AIM) for one Warrant for the 10 consecutive AIM dealing days ending on the dealing day immediately preceding the date of the presentation of the petition for such order or of the notice convening the meeting at which such resolution shall be passed (as the case may be) or, if applicable and earlier, the date of the first announcement of the presentation of such petition or the convening of such meeting (as the case may be) or that the same is proposed; and
- D = the amount (as determined by the Financial Advisers) of the surplus available for distribution in respect of each Share, taking into account for this purpose the Shares which would arise on exercise of all the subscription rights and the Exercise Price which would be payable on the exercise of such subscription rights (subject to any adjustments previously made pursuant to paragraphs 2(a) to (f) above but ignoring any adjustment to be made pursuant to this paragraph 2(i)).

The provisos set out in paragraph 2(h) above shall apply mutatis mutandis to any adjustment made in accordance with this paragraph 2(i).

- (j) Notwithstanding the provisions of sub-paragraphs 2(a) to (i) above, in any circumstances where the Directors shall consider that an adjustment to the Exercise Price provided for under the said provisions should not be made or should be calculated on a different basis or that an adjustment to the Exercise Price should be made notwithstanding that no such adjustment is required under the said provisions or that an adjustment should take effect on a different date or with a different time from that provided for under the said provisions, the Company may appoint the Financial Advisers to consider whether for any reason whatever the adjustment to be made (or the absence of adjustment) would or might not fairly and appropriately reflect the relative interests of the persons affected thereby and, if the Financial Advisers shall consider this to be the case, the adjustment shall be modified or nullified, or another adjustment made instead, or no adjustment made, in such manner (including without limitation, making an adjustment calculated on a different basis) and/or to take effect from such other date and/or time as shall be reported by the Financial Advisers to be in their opinion appropriate.

3 Other provisions

So long as any subscription rights remain exercisable:

- (a) the Company shall not (except with the sanction of a Special Resolution):
 - (i) make any distribution of profits or capital reserves except by means of a capitalisation issue in the form of fully paid Shares issued to the holders of its Shares or except on the winding up of the Company;
 - (ii) issue securities by way of capitalisation of profits or reserves except fully paid Shares issued to the holders of its Shares; or
 - (iii) on or by reference to a record date falling within the period of six weeks ending on the Final Exercise Date, make any such allotment as is referred to in paragraph 2(b) above or any such offer or invitation as is referred to in paragraph 2(c) above (except by extending to the holders of the Warrants any such offer or invitation as may be made by a third party);

- (b) the Company shall not (except with the sanction of a Special Resolution) in any way modify the rights attached to its existing Shares as a class, or create or issue any new class of equity share capital except for shares which carry, as compared with the rights attached to the existing Shares, rights which are not more advantageous as regards voting, dividend or return of capital (save as to the date from which such shares shall rank for dividends or distributions), provided that nothing herein shall restrict the right of the Company to increase, consolidate or sub-divide its share capital or to issue further Shares which carry, as compared with the rights attached to the existing Shares, rights which are not more advantageous as regards voting, dividend or return of capital;
- (c) the Company shall not issue any Shares credited as fully paid by way of capitalisation of profits or reserves nor make any such offer as is referred to in paragraph 2(c) above if, in either case, the Company would on any subsequent exercise of the Warrants be obliged to issue Shares at a discount to nominal value;
- (d) the Company shall keep available for issue sufficient authorised but unissued share capital to satisfy in full all subscription rights remaining exercisable;
- (e) the Company shall not (except with the sanction of a Special Resolution or for a reduction not involving any payment to Shareholders) reduce any of its share capital or any uncalled or unpaid liability in respect of any of its share capital;
- (f) except in circumstances where paragraph 2(c) above applies or except with the sanction of a Special Resolution, the Company shall not grant (or offer or agree to grant) any option in respect of, or create any rights of subscription for, or conversion into, Shares if the price per Share at which any such option or right is exercisable is lower than the Exercise Price;
- (g) subject as provided in paragraph 3(h) below, if at any time an offer is made to all holders of Shares (or all such holders other than the offeror and/or any company controlled by the offeror and/or persons acting in concert with the offeror) to acquire the whole or any part of the issued ordinary share capital of the Company and the Company becomes aware on or before the Final Exercise Date that as a result of such offer (or as a result of such offer and any other offer made by the offeror) the right to cast a majority of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in the offeror and/or such companies or persons as aforesaid, the Company shall give notice to the holders of the Warrants of such vesting within 14 days of its becoming so aware, and each such holder shall be entitled, at any time within the period of 30 days immediately following the date of such notice, to exercise his subscription rights on the terms (subject to any adjustments previously made pursuant to paragraphs 2(a) to (f) and subject to paragraph 2(h) above) on which the same could have been exercised if they had been exercisable and had been exercised on the date on which the Company shall have become aware as aforesaid;
- (h) if under any offer as referred to in paragraph 3(g) above the consideration shall consist solely of the issue of ordinary shares of the offeror and the offeror shall make available an offer of warrants to subscribe for ordinary shares in the offeror in exchange for the Warrants, which offer the financial advisers to the Company (acting as experts and not as arbitrators) shall consider to be fair and reasonable (having regard to the terms of the offer and to the terms of paragraph 2(h) and any other circumstances which may appear to such financial advisers to be relevant), then a holder of Warrants shall not have the right to exercise his subscription rights on the basis referred to in paragraph 3(g) above and, subject to the offer as referred to in paragraph 3(g) above becoming or being declared wholly unconditional and the offeror being in a position to acquire compulsorily the whole of the then issued ordinary share capital of the Company not already owned by it, and/or any company controlled by it and/or any persons acting in concert with it, any Director shall be irrevocably authorised as attorney for the holders of the Warrants who have not accepted the offer of warrants to subscribe for ordinary shares in the offeror in exchange for the Warrants:

- (i) to execute a transfer thereof in favour of the offeror in consideration of the issue of warrants to subscribe for ordinary shares in the offeror as aforesaid, whereupon all the Warrants shall lapse; and
 - (ii) to do all such acts and things as may be necessary or appropriate in connection therewith;
- (i) if an order is made or an effective resolution is passed for winding up the Company (except for the purpose of reconstruction, amalgamation or unitisation on terms sanctioned by a Special Resolution) each holder of a Warrant shall (if in such winding up, on the basis that all subscription rights then unexercised had been exercised in full and the Exercise Price therefor had been received in full by the Company, there shall be a surplus available for distribution amongst the holders of the Shares, including for this purpose the Shares which would arise on exercise of all the subscription rights (taking into account any adjustments previously made pursuant to paragraphs 2(a) to (f) above and subject to paragraph 2(h) above), which surplus would, on such basis, exceed in respect of each Share a sum equal to the Exercise Price) be treated as if immediately before the date of such order or resolution (as the case may be) his subscription rights had been exercisable and had been exercised in full on the terms (subject to any adjustments previously made pursuant to paragraphs 2(a) to (f) above and subject to paragraph 2(h) above) on which the same could have been exercised if they had been exercisable immediately before the date of such order or resolution (as the case may be), and shall accordingly be entitled to receive out of the assets available in the winding up *pari passu* with the holders of the Shares, such a sum as he would have received had he been the holder of the Shares to which he would have become entitled by virtue of such subscription after deducting a sum per Share equal to the Exercise Price (subject to any adjustments previously made pursuant to paragraphs 2(a) to (f) above and subject to paragraph 2(h) above). Subject to the foregoing, all subscription rights shall lapse on winding up of the Company; and
- (j) Notwithstanding the above provisions of this paragraph 3, a qualifying "C" share issue (as defined below) shall not constitute an alteration or abrogation of the rights attached to the Warrants (and shall not require the sanction of a Special Resolution) even though it may involve modification of the rights attached to the existing Shares or the creation or issue of a new class of equity share capital if the Directors are of the opinion (having regard to all the circumstances) that such issue should not have any material dilutive effect on the fully diluted net asset value attributable to each Share. For this purpose, a "qualifying "C" share issue" means an issue by the Company of shares which will, within one year of the date of issue thereof, be converted into Shares ranking *pari passu* in all respects with the Shares then in issue (other than, if the case requires, as regards dividends or other distributions declared, paid or made in respect of the financial year in which the conversion takes place) and may include the issue in connection therewith of warrants (whether on the same terms and conditions as the Warrants or otherwise) and any matters reasonably incidental to the process by which such shares are converted into Shares, including but not limited to the creation, issue, sub-division, consolidation, redesignation, purchase, redemption or cancellation of any share capital of the Company, including share capital with preferred or deferred rights.

4 Modification of rights

Subject to the existing rights of the holders of Shares, all or any of the rights for the time being attached to the Warrants and all or any of these terms and conditions may from time to time (whether or not the Company is being wound up) be altered or abrogated with the sanction of a Special Resolution. All the provisions of the Articles for the time being as to general meetings shall apply *mutatis mutandis* as though the Warrants were a class of shares forming part of the capital of the Company, but so that:

- (a) the necessary quorum shall be the requisite number of holders (present in person or by proxy) entitled to subscribe one-third in nominal amount of the Shares attributable to such outstanding Warrants;
- (b) every holder of a Warrant present in person at any such meeting shall be entitled on a show of hands to one vote and every such holder present in person or by proxy shall be entitled on a poll to one vote for each Share for which he is entitled to subscribe;
- (c) any holder of a Warrant present in person or by proxy may demand or join in demanding a poll; and
- (d) if at any adjourned meeting a quorum as above defined is not present, the holder or holders of Warrants then present in person or by proxy shall be a quorum.

Any such alteration or abrogation approved as aforesaid shall be effected by deed poll executed by the Company and expressed to be supplemental to the Warrant Instrument. Modifications to the Warrant Instrument which are of a formal, minor or technical nature, or made to correct a manifest error or to provide additional methods of transferring and/or exercising Uncertificated Warrants, and which do not adversely affect the interests of the holders of the Warrants, may be effected without the sanction of a Special Resolution by deed poll executed by the Company and expressed to be supplemental to the Warrant Instrument and notice of such alteration or abrogation or modification shall be given by the Company to the holders of the Warrants.

5 Purchase

The Company and its subsidiaries shall have the right to purchase Warrants in the market, by tender or by private treaty or otherwise, and the Company may accept the surrender of Warrants at any time but:

- (a) such purchases will be made in accordance with the rules of any stock exchange on which the Warrants are traded; and
- (b) if such purchases are by tender, such tender will be available to all holders of Warrants alike.

All Warrants so purchased or surrendered shall forthwith be cancelled and shall not be available for re-issue or resale.

6 Transfer

Each Warrant will be in registered form and will be freely transferable by instrument of transfer in any usual or common form, or in any other form which may be approved by the Directors, including by means of a Relevant Electronic System in the case of Uncertificated Warrants. No transfer of a right to subscribe for a fraction of a Share may be effected.

7 General

- (a) The Company will, concurrently with the issue of the same to the registered holders of the Shares, send to each registered holder of a Warrant (or, in the case of joint holders, to the first-named) a copy of each published annual report and accounts of the Company (or such abbreviated or summary financial statement sent to holders of Shares in lieu thereof), together with all documents required by law to be annexed thereto, and a copy of every other statement, notice or circular issued by the Company to holders of Shares.
- (b) Subject as otherwise provided in these terms and conditions, the provisions of the Articles for the time being of the Company relating to notice of meetings, untraced members, lost certificates and the registration, transfer and transmission of Shares shall apply mutatis mutandis to the Warrants as if they were Shares.

- (c) Any determination or adjustment made pursuant to these terms and conditions by the Financial Advisers shall be made by them as experts and not as arbitrators and any such determination or adjustment made by them shall be final and binding on the Company, its Shareholders and each holder of Warrants.
- (d) Any reference in these terms and conditions to a statutory provision shall include that provision as from time to time modified or re-enacted.

8 Warrants in uncertificated form

- (a) Nothing herein shall impose any obligation on the Company to procure that the Warrants are capable of being held in uncertificated form. However, if at any time there are Uncertificated Warrants or an application has been made by the Company and not withdrawn for Warrants to be held in uncertificated form to the operator of a Relevant Electronic System, then no provision of these conditions (or any term of issue of the Warrants) shall apply or have effect to the extent that it is in any respect inconsistent with (i) the holding of the Warrants in uncertificated form, (ii) the transfer of title to the Warrants by means of a Relevant Electronic System, or (iii) the Regulations.
- (b) Subject to the generality of paragraph 8(a) above, and notwithstanding any provision of the Articles deemed to apply to the Warrants, the register of Warrantholders shall be maintained at all times outside the United Kingdom, the Warrants may be changed from uncertificated to certificated form and from certificated to uncertificated form, in accordance with and subject as provided in the Regulations, and, for the avoidance of doubt, reference to a Warrantholder refers to a holder of the Warrants in either certificated or uncertificated form.
- (c) Notwithstanding paragraph 8(e) below, and for the avoidance of doubt, the conditions and subscription rights applicable to the Uncertificated Warrants from time to time shall remain so applicable notwithstanding that they are not endorsed on any Warrant certificate, and the Company shall, on the request of any holder of Uncertificated Warrants, provide that holder with a schedule of the conditions and subscription rights attaching to the Warrants but so that joint holders of such Warrants shall be entitled to receive one copy only of the schedule of conditions in respect of the Warrants held by them, which copy shall be delivered to that one of the joint holders whose name stands first in the register of Warrantholders in respect of that holding.
- (d) A properly authenticated dematerialised instruction given in accordance with the Regulations and any rules of the relevant system operated pursuant to the Regulations shall be given effect to in accordance with its terms;
- (e) These terms and conditions may be amended by the Directors to reflect changes made to, and continued compliance with, the Regulations.

9 In this Part VI (The Terms of the Warrants):

- (i) unless the context otherwise requires, words or expressions defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755) (the **Regulations**) bear the same meanings as in the Regulations;
- (ii) a reference to Shares or Warrants being in **uncertificated form** means Shares or Warrants the title to which is recorded in the relevant register as being held in such form and which by virtue of the Regulations may be transferred by means of a Relevant Electronic System;
- (iii) whether any Warrant is in certificated form or uncertificated form on any date shall be determined by reference to the register of Warrantholders as at the close of business on the relevant date or such other time as the Board may (subject to the

facilities and requirements of the Relevant Electronic System concerned) in their absolute discretion determine; and

- (iv) **Uncertificated Warrant** means any Warrant which, as at the relevant date concerned, is held in uncertificated form, whether as a Depositary Interest or otherwise.

PART VII TAXATION

1 Taxation

1.1 General

The comments below are of a general and non-exhaustive nature based on the Directors' understanding of the current revenue law and practice in the Cayman Islands, Vietnam and the United Kingdom, which is subject to change. The following summary does not therefore constitute legal or tax advice and applies only to persons who are both legal and beneficial owners of Shares and who hold their Shares as an investment. The following summary does not apply to persons such as market makers, brokers, dealers, pension funds, insurance companies, collective investment schemes, intermediaries and persons connected with depositary arrangements or clearance services, to whom special rules may apply.

An investment in the Company involves a number of complex tax considerations. Changes in tax legislation in any of the countries in which the Company will have investments or in the Cayman Islands (or in any other country in which a subsidiary of the Company through which investments are made, is located), changes in the tax legislation of any country in which an investor is resident or domiciled or is a national of, or changes in tax treaties negotiated by those countries, could adversely affect the returns from the Company to investors.

Prospective investors should consult their professional advisors on the potential tax consequences of subscribing for, purchasing, holding, selling or otherwise disposing of Shares under the laws of their country and/or state of citizenship, domicile or residence.

1.2 Cayman Islands

The government of the Cayman Islands, will not, under existing legislation, impose any income, corporate or capital gains tax, estate duty, inheritance tax, gift tax or withholding tax upon the Company or the Shareholders. The Cayman Islands are not party to any double taxation treaties. The Company has applied for and has received an undertaking from the Governor-in-Cabinet of the Cayman Islands that, in accordance with section 6 of the Tax Concessions Law (1999 Revision) of the Cayman Islands, for a period of 20 years from the date of the undertaking, no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations and, in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable (i) on the shares, debentures or other obligations of the Company or (ii) by way of the withholding in whole or in part of a payment of dividend or other distribution of income or capital by the Company to its members or a payment of principal or interest or other sums due under a debenture or other obligation of the Company.

Currently no stamp duty will be levied in the Cayman Islands on the issue or transfer of the Ordinary Shares. The only government charge currently payable by the Company in the Cayman Islands is an annual charge to be calculated on the nominal value of the authorised share capital of the Company. At current rates, this will not exceed US\$3,010 in any one year.

1.3 Vietnam

(a) The Company

Under the current Vietnam tax regulations, the Company would likely be classified as a foreign investment fund established under the laws of a foreign country. The Company's presence in Vietnam would only be via its investments which are not of themselves indicative of a permanent establishment. The permanent establishment status may vary depending on changes in the Company's operational structure or the tax regulations. The Company and the Investment Manager intend to conduct their affairs so that the Company is not deemed to have a permanent establishment in Vietnam. However, due to

tax regulatory uncertainties, if the Company is deemed to carry out investment through a permanent establishment in Vietnam, or deemed to be otherwise engaged in a trade or business in Vietnam, income attributable to or effectively connected with such permanent establishment, trade or business may be subject to additional Vietnam tax obligations which would likely be imposed at the rate of 22 per cent. as from 1 January 2014 and 20 per cent. as from 1 January 2016

As at the date of this document the following information is uncertain:

- whether the Company is considered as having a permanent establishment in Vietnam;
- the amount of tax that may be payable, if the income is subject to tax; and
- whether tax liabilities (if any) will be applied retrospectively.

The implementation and enforcement of tax regulations in Vietnam can vary depending on numerous factors, including the identity of the tax authority involved. The administration of laws and regulations by government agencies may be subject to considerable discretion, and in many areas, the legal framework is not always clear, contradictory and subject to interpretation.

On the basis that the Company is a foreign legal entity without a permanent establishment in Vietnam, the Company should not be liable for Vietnamese taxes on its income derived outside Vietnam or capital gains derived from the sale or other disposal of its non-Vietnamese investments.

(b) Investee Companies – Corporate Income Tax

Under the Law No. 32/2013/QH13 on the amendments to the Law on Corporate Income Tax, Vietnamese corporate income tax rates were adjusted to a “standard” rate of 22 per cent. as from 1 January 2014 and 20 per cent. as from 1 January 2016 (subject to the possibility of various lower incentive rates depending on the category into which an enterprise falls or the investment location) for both foreign-invested companies and domestic Vietnamese companies.

(c) Investee Companies – Profit Remittance Tax

As from 1 January 2004, the profits/dividends withholding tax was abolished. Therefore, the Company will not be subject to any further withholding taxes on dividend distributions from Vietnamese companies in whose shares it invests.

(d) Capital Gains/Capital Assignment Tax (CAT)

The Vietnam tax regulations make a distinction between assigning “capital” and a “securities transfer”. Particularly:

- the assignment of stocks of “public joint stock companies” in accordance with the Vietnam Law on Securities shall be considered as a securities transfer for applying tax regulations on securities transfer. The definition of “public joint stock companies” is explained below; and
- the assignment of stocks of non-public joint stock companies shall be considered a capital transfer for applying tax regulations on capital assignments.

Under the Vietnam Law on Securities, a public company means a joint stock (shareholding) company which belongs to one of the following three categories:

- (i) a company which has made a public offer of shares;

- (ii) a company which has shares listed on the Stock Exchange or a Securities Trading Centre; and
- (iii) A company which has shares owned by at least one hundred (100) investors excluding professional securities investors, and which has paid-up charter capital of ten (10) billion Vietnamese Dong or more.

In respect of the definition above, the Vietnam Law on Securities does not clearly state whether they are Vietnam Stock Exchanges or Securities Trading Centres. However, it is generally understood that the scope of the Vietnam Law on Securities is intended to address the Vietnamese securities market only (i.e. Hochiminh Stock Exchange or Hanoi Stock Exchange).

The above distinction is crucial for foreign organisations doing business in Vietnam under neither the Vietnam Law on Investment, nor the Vietnam Law on Enterprise, due to the following reasons:

- if the Company has invested in public shares and income arises from a transfer of securities, the Company shall be subject to Foreign Contractor Tax (**FCT**) in accordance with the FCT regulations. As the Company should not have a permanent establishment in Vietnam, the Company's securities transfer activities should be subject to the deemed taxation method being 0.1 per cent. of the total value of the sale transaction (except for tax-free bonds). No relief is allowed for transaction costs, and no allowance is taken for the cost of investments (i.e. this is a tax on proceeds rather than realised profits); or
- if the Company has invested in non-public shares it should be treated as having capital assignment activities. The Company's capital assignment activities should be subject to CAT at 22 per cent. as from 1 January 2014 and 20 per cent. as from 1 January 2016 in accordance with the corporate income tax regulations.

(e) Value Added Tax (VAT)

VAT is an indirect tax which applies to the supply of goods and services in Vietnam. The Law No. 31/2013/QH13 on amendments to the Law on Value Added Tax which applied with effect from 1 January 2014 provides that income gained from either a capital assignment or transfer of securities, including whole/partial transfers of investment capital, securities transfer and other forms of capital transfer in accordance with the regulations, are not subject to VAT.

Therefore, the securities trading activities of the Company in Vietnam should not be subject to VAT.

(f) Taxes on Dividends

The Vietnam tax regulations have confirmed that dividends (or distributions of profit after tax) of an entity in Vietnam paid directly to foreign corporate investors shall not be subject to withholding tax. Dividends received by both local and foreign individuals are subject to personal income tax at 5 per cent. on the dividends received.

1.4 United Kingdom

(a) Introduction

The following statements are based upon current UK tax law and what is understood to be the current practice of HMRC, both of which are subject to change, possibly with retrospective effect. The statements are intended only as a general guide and may not apply to certain Shareholders, such as dealers in securities, insurance companies, collective investment schemes or Shareholders who have (or are deemed to have)

acquired their shares by virtue of an office or employment, who may be subject to special rules. They apply only to Shareholders resident for UK tax purposes in the UK (except in so far as express reference is made to the treatment of non-UK residents), who hold Shares as an investment rather than trading stock and who are the absolute beneficial owners of those Shares.

The information contained in this document relating to taxation matters is a summary of the taxation matters which the Directors consider should be brought to the attention of Shareholders and is based upon the law and practice currently in force and is subject to changes therein. All Shareholders, and in particular those who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the UK, should consult their own professional advisers on the potential tax consequences of holding, transferring or otherwise disposing of Warrants or exercising the subscription rights granted by the Warrants under the laws of their country and/or state of citizenship, domicile or residence.

(b) The Company

It is the intention of the Directors to conduct the affairs of the Company so that, for United Kingdom corporation tax purposes, it will not be regarded as resident in the United Kingdom, nor as carrying on a trade through a permanent establishment located in the United Kingdom. On that basis, and on the assumption that it has no UK source income, the Company will have no liability in respect of United Kingdom corporation tax on its income or capital gains.

(c) Shareholders

For the purposes of United Kingdom capital gains tax and corporation tax on chargeable gains (**CGT**), the receipt of the Warrants arising from the Bonus Issue may give rise to a deemed part disposal of the Shareholder's existing Shares for the purposes of UK capital gains tax and UK corporation tax. Shareholders who are resident in the UK for tax purposes are advised to consult their own independent professional tax advisors.

Exercise of Warrants

Exercise of the Warrants by a UK holder of Warrants will not constitute a disposal of the Warrants for the purposes of UK taxation of capital gains. The base cost (if any) of the Warrants, together with the amount paid on exercise, will form the base cost in computing any gain or loss arising on a subsequent disposal of the Shares so acquired.

Taxation of capital gains

Individual Shareholders who are resident in the UK for tax purposes will generally be subject to capital gains tax at a flat rate of 18 per cent. for basic rate taxpayers and 28 per cent. for higher and additional rate taxpayers in respect of any gain arising on a disposal or deemed disposal of their Shares or Warrants. No indexation allowance will be available to such Shareholders. However, each individual has an annual exemption, such that capital gains tax is chargeable only on gains arising from all sources during the tax year in excess of this figure. The annual exemption is £11,100 for the tax year 2015-2016.

Shareholders who are individuals and who are temporarily non-resident in the UK may, under anti-avoidance legislation, still be liable to UK tax on any capital gain realised (subject to any available exemption or relief).

Corporate Shareholders who are resident in the UK for tax purposes will generally be subject to corporation tax on chargeable gains arising on a disposal of their Shares. The indexation allowance may reduce the amount of chargeable gain that is subject to corporation tax but may not create or increase any allowable loss.

Capital losses realised on a disposal of Shares or Warrants must be set as far as possible against chargeable gains for the same tax year (or accounting period in the case of a Corporate Shareholder), even if this reduces an individual Shareholder's total gain below the annual exemption. Any balance of losses is carried forward without time limit and set off against net chargeable gains (that is, after deducting the annual exemption) in the earliest later tax year. Losses cannot generally be carried back, with the exception of losses accruing to an individual Shareholder in the year of his death.

Taxation of dividends

Shareholders who are resident in the UK for taxation purposes may, depending on their circumstances, be liable to UK income tax or corporation tax in respect of dividends paid by the Company.

UK resident individual Shareholders who are additional rate taxpayers will be liable to income tax at 37.5 per cent., higher rate taxpayers will be liable to income tax at 32.5 per cent. and other individual taxpayers will be liable to income tax at 10 per cent. A tax credit equal to 10 per cent. of the gross dividend (also equal to one-ninth of the cash dividend received) should be available to set off against a Shareholder's total income tax liability. The effect of the tax credit is that a basic rate taxpayer will have no further tax to pay however a higher rate taxpayer will have to account for additional tax equal to 22.5 per cent. of the gross dividend (which also equals 25 per cent. of the net dividend received) and an additional rate taxpayer will have to account for additional tax equal to 27.5 per cent. of the gross dividend (or 30.56 per cent. of the cash dividend received). The tax credit will not be available for any individual who owns (together with connected persons) 10 per cent. or more of the class of issued share capital of the Company in respect of which the dividend is made.

A UK resident corporate Shareholder will be liable to UK corporation tax (currently 20 per cent. with effect from 1 April 2015) unless the dividend falls within one of the exempt classes set out in Part 9A of the Corporation Tax Act 2009. It is likely that dividends will fall within one of such exempt classes but Shareholders within the charge to UK corporation tax are advised to consult their independent professional tax advisers to determine whether dividends received will be subject to UK corporation tax.

UK resident Shareholders who are exempt from UK tax (for example, pension funds and charities) will not be liable to UK income tax on dividends received from the Company.

(d) Stamp duty and stamp duty reserve tax

No United Kingdom stamp duty or SDRT will arise on the issue of the Warrants or any Shares. Generally no United Kingdom stamp duty or SDRT is payable on a transfer of or agreement to transfer Shares or Warrants executed outside the United Kingdom provided that the document effecting the transfer is not brought into the United Kingdom, the Warrants and Shares are not registered in any register of the Company kept in the United Kingdom and they are not paired with shares issued by a UK Company.

No United Kingdom stamp duty or SDRT will arise on the issue of the Depositary Interests. Transfers of Depositary Interests will be subject to SDRT at the rate of 0.5 per cent. unless either the Depositary Interests relate to shares or warrants admitted to trading on AIM or the conditions for SDRT exemption in the Stamp Duty Reserve Tax (UK Depositary Interests in Foreign Securities) Regulations 1999 are met. While the only listing for the Warrants is AIM, transfers of the Depositary Interests will be exempt from SDRT.

No United Kingdom stamp duty or SDRT will arise on transfers of credits representing Depositary Interests through the Euroclear and Clearstream settlement systems provided that the credits representing the Depositary Interests are not registered in any register kept in the United Kingdom.

(e) Individual Savings Accounts (ISAs) and Self-Invested Personal Pensions (SIPPs)

The Warrants are not “qualifying investments” for the stocks and shares component of an ISA, and so the Warrants will not be eligible to be held in a stocks and shares ISA. Accordingly, where Shareholders receive Warrants pursuant to the bonus issue in respect of Shares held within an ISA, the ISA manager is required to either sell the Warrants or transfer them to the Shareholder to be held outside the ISA within 30 calendar days of receipt.

The Shares arising on exercise of the Warrants will be “qualifying investments” for the stocks and shares component of an ISA (subject to the usual annual subscription limit, which is £15,240 for the tax year 2015- 2016).

The Shares and the Warrants should constitute “permitted investments” for SIPPs.

1.5 US-Cayman Islands Intergovernmental Agreement

The United States Hiring Incentives to Restore Employment Act (the **HIRE Act**) has created a new information reporting and withholding regime referred to as the Foreign Account Tax Compliance Act (**FATCA**).

The Cayman Islands has signed a Model 1(b) (non-reciprocal) inter-governmental agreement with the United States (the **US IGA**) to give effect to FATCA. Pursuant to the IGA, the Cayman Islands government has implemented the Tax Information Authority (International Tax Compliance) (United States of America) Regulations, 2014 pursuant to the Tax Information Authority Law (as revised) (the **Cayman Regulations**) to give local effect to the US IGA and FATCA and gradually phase in the information that must be disclosed by the Company pursuant to FATCA. Cayman Islands financial institutions (**FIs**) that comply with the Cayman Regulations will be treated as satisfying the due diligence and reporting requirements of FATCA and accordingly will be treated as participating foreign financial institutions (**Participating FFIs**) for the purposes of FATCA. As such, those FIs will be “deemed compliant” with the requirements of FATCA, will not be subject to withholding tax, and will not be required to close recalcitrant accounts.

The US IGA and the Cayman Regulations categorize FIs as either “Reporting FIs” or “Non-Reporting FIs.” By default, all Cayman FIs will be Reporting FIs, unless they qualify as Non-Reporting FIs. The categories of Non-Reporting FIs are specified in the Cayman Regulations. A Reporting FI, such as the Company, is (i) not required to enter an “FFI agreement” with the US Internal Revenue Service (**IRS**), (ii) required to register with the IRS to obtain a Global Intermediary Identification Number, (iii) required to conduct due diligence on its investors to identify whether accounts are held directly or indirectly by “Specified US Persons”, and (iv) required to report information on such Specified US Persons to the Cayman Islands Tax Information Authority (the **Cayman TIA**). The Cayman TIA will exchange the information reported to it with the IRS annually on an automatic basis.

Under the terms of the US IGA and the Cayman Regulations, FATCA withholding tax will not be imposed on payments made to the Company, or on payments made by the Company to an account holder, except to the extent the Company, its investors or any other account holder fails to comply with its obligations under FATCA, the US IGA or the Cayman Regulations, or otherwise fails to comply with any other obligations it may have to the Company with respect to the Company’s obligations under FATCA and/or the US IGA and/or the Cayman Regulations, as applicable. If subject to, or required to, withhold, such FATCA withholding tax will generally be at the rate of thirty per cent. (30%) of the relevant payment.

Shareholders may be required to provide certain information to the Company in order to enable the Company to comply with its FATCA obligations in accordance with the Articles. If a Shareholder fails to provide the required information within the prescribed period, the Board may treat that Shareholder as a Non-Qualified Holder and require the relevant Shareholder to

sell its Shares. The relevant provisions in the Articles will also apply should other jurisdictions introduce similar provision to FATCA.

Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of this withholding tax, no assurance can be given that it will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of FATCA, the return on investment of some or all holders of Shares may be materially adversely affected. The Company may require such a Shareholder to transfer its Shares to another person in accordance with the Articles or take any other steps that the Board deems appropriate to mitigate the consequences of such failure on the Company and the other Shareholders. The Directors may compel the withdrawal from the Company of Shareholders who do not provide the Company with information necessary to satisfy its obligations under FATCA. Shareholders are encouraged to consult with their own tax advisors regarding the possible implications of FATCA on their investments in the Company.

Potential investors should consult their advisors regarding the application of the withholding rules and the information that may be required to be provided and disclosed to the Company pursuant to FATCA and the Cayman Regulations. If prospective investors are in any doubt as to the consequences of their acquiring, holding or disposing of Shares and / or Warrants, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

1.6 UK-Cayman Islands Intergovernmental Agreement

On 5 November 2013 the Cayman Islands government signed an intergovernmental agreement with the UK (**UK IGA**) under which certain disclosure requirements will be imposed in respect of certain investors in the Company who are resident in the United Kingdom. Pursuant to the UK IGA, the Cayman Islands government has implemented the Tax Information Authority (International Tax Compliance) (United Kingdom) Regulations, 2014 (the **UK-Cayman Regulations**) pursuant to the Tax Information Authority Law (as revised) to give local effect to the UK IGA which will necessitate the Company reporting information on UK resident shareholders to the Cayman TIA.

Potential investors should consult their advisors regarding the application of the withholding rules and the information that may be required to be provided and disclosed to the Company pursuant to FATCA and the UK-Cayman Regulations. If prospective investors are in any doubt as to the consequences of their acquiring, holding or disposing of Shares and / or Warrants, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

1.7 Other Jurisdictions

Prospective purchasers of Shares that are resident or domiciled in or nationals of jurisdictions other than, Vietnam or the United Kingdom should consult their own professional tax advisors as to the tax consequences of the purchase, ownership and disposition of Shares.

Any person who is in any doubt as to his tax position should consult his professional advisors.

PART VIII GENERAL INFORMATION

1 Responsibility

The Company and the Directors, whose names and functions appear on page 35 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Company and the Directors (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and contains no omission likely to affect the import of such information.

2 The Company and the Investment Manager

2.1 Incorporation

- (a) The Company operates under the Companies Law and regulations made thereunder.
- (b) The Company's main activity is that of an investment company. As a closed-end investment company, the Company is not regulated as a mutual fund in the Cayman Islands and is not otherwise subject to regulatory review in its place of incorporation.
- (c) As a company whose Shares are admitted to trading on AIM, the Company is subject to the AIM Rules.
- (d) The Shares are also admitted to trading on the Entry Standard.
- (e) The registered office of the Company is at the offices of CARD Corporate Services Ltd, Zephyr House, 122 Mary Street, PO Box 709, Grand Cayman KY1-1107, Cayman Islands (Telephone No. +1 345 949 4544).
- (f) The Company's accounting periods terminate on 30 June of each year, the latest such period having ended on 30 June 2014.
- (g) The liability of Shareholders is limited.

2.2 Principal activities of the Company

The Memorandum of Association of the Company provides that the objects of the Company are unrestricted and the Company shall have full power to carry out any object not prohibited or limited by the Companies Law. The Companies Law does not prohibit the Company from acting as an investment company.

2.3 The Investment Manager

The Investment Manager was originally incorporated as a company limited by shares in the British Virgin Islands on 1 February 2006 with registered number 1008630.

The Investment Manager was registered in the Cayman Islands by way of continuation as an Exempted Company on 19 December 2014 with registered number 295167.

3 Share capital

The following table shows the authorised and issued share capital of the Company as at 31 December 2014 (being the last date in respect of which the Company has published audited financial information) and as at 15 May 2015 (being the latest practicable date prior to the publication of this document):

	31 December 2014		15 May 2015	
	Nominal Value (US\$)	Number of Shares	Nominal Value (US\$)	Number of Shares
Issued share capital (fully paid)	67,537,240	67,537,240	67,537,240	67,537,240
Authorised share capital	100,000,000	100,000,000	100,000,000	100,000,000

The Shares are created under and governed by the laws of the Cayman Islands. The Shares are in registered form, are issued in certificated form and may be settled through the Euroclear and Clearstream settlement systems.

As at 15 May 2015, the Company had 7,604,001 Shares held in treasury.

Save for the Bonus Issue described in this document, no share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

4 Memorandum and Articles of Association

The Memorandum of Association and the Articles contain, inter alia, material provisions as summarised in paragraphs 4.1 and 4.2 below.

4.1 Memorandum of Association

The Memorandum of Association provides that the objects of the Company are unrestricted and the Company has full power to carry out any object not prohibited or limited by the Companies Law. The Companies Law does not prohibit the Company from acting as an investment company.

4.2 Articles of Association

The Articles contain provisions, inter alia, to the following effect:

(a) Voting rights

At a general meeting on a show of hands, every Shareholder of record present in person (or in the case of a corporation by its duly authorised representative) shall have one vote and on a poll every Shareholder of record present in person (or by its representative as aforesaid) or by proxy shall have one vote for each Share registered in his/her/its name in the Register of Shareholders.

(b) Dividends

The Board may from time to time declare any such dividends to the holders of Shares as appear to the Board to be appropriate, save that no dividend may be declared or paid other than from funds lawfully available for distribution. All dividends are declared and paid according to the amounts paid-up on the Shares.

(c) Winding-up

If the Company is wound-up, the liquidator may, with the sanction of a special resolution of the shareholders of the Company and any other sanction required by applicable law, divide amongst the Shareholders in specie or in-kind the whole or any part of the assets

of the Company (whether they shall consist of property of the same kind or not) and may for such purpose set such value as s/he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders. The liquidator may with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributors as the liquidator, with the like sanction, shall think fit, but so that no Shareholder shall be compelled to accept any assets, shares or other securities whereon there is any liability.

- (d) Transfers of Shares; compulsory transfer and restrictions on transfer
- (i) Shares may be transferred by a form of transfer in any usual or common form or in any other form which the Board may approve, which form shall be signed by the transferor and, if so requested by the Directors, the transferee, and the transferor is deemed to remain the holder of a Share until the name of the transferee is entered in the Register in respect of that share. The Board is not required to register transfers of Shares which do not comply with certain formalities.
 - (ii) The Directors have the power to impose such restrictions (including restrictions on transfers) as they may think necessary for the purpose of ensuring that no Shares in the Company are acquired or held by any unauthorised persons, or in breach of the requirements of any country or governmental authority. In particular, without the specific consent of the Board, Shares may not be transferred to US Persons which may result in more than 10 per cent. of the Company's issued share capital being held at any one time by a single US Person unless the Board otherwise agrees.
 - (iii) The Board may at its discretion give its consent generally to certain categories of offers, sales or transfers of Shares to specific categories of persons and may impose as a condition of such consents the receipt of certifications from the purchasers or subscribers or transferors or transferees (or any of them) as to their status, and in particular as to whether they are a US Person.
 - (iv) The Board may upon a transfer of Shares or at any other time or from time to time require such evidence to be furnished to it in this connection as it, in its discretion, deems sufficient, and in default of such evidence being furnished to its satisfaction, the Board may require the transfer of such Shares to a person who is qualified or entitled to own the Shares and would not, if the Shares were transferred to him, be a "Non-Qualifying Person" (as set out in paragraph (v) below).
 - (v) The Company has the right to require by notice the transfer of Shares held, directly, indirectly or beneficially, by any person in breach of any law or requirement of any country or governmental authority (a Non-Qualifying Person) such that, in the opinion of the Board, the tax status or residence of the Company is or may be prejudiced, or the Company may suffer any pecuniary or other disadvantage (including any excise tax, penalties or liabilities under ERISA) or the Company would be required to comply with any registration, filing or other material administrative requirements in any jurisdiction, with which it would not otherwise be required to comply, or may result in the assets of the Company being deemed to be "plan assets" for the purposes of ERISA, or may require the registration of the Company as an "investment company" under the Investment Company Act, or any other material administrative or other disadvantage to the Company or its Shareholders may ensue. The Board may direct the Non-Qualifying Person to transfer his/her/its Shares to a person who is qualified to hold them and would not by reason of a transfer become non-qualifying. Until such transfer is effected, the holder of such Shares will not be entitled to any rights or privileges attaching to such Shares. If the required transfer is not effected within 30 days after service of a notice to do so and the person directed to transfer his/her/its Shares has not established to the satisfaction of the Board (whose judgment shall be final and binding) that s/he/it is not a Non-Qualifying Person, the Shares concerned may be

compulsorily redeemed or sold by the Company on behalf of the holder of such Shares. The redemption or sale price will be the NAV per Share as at the Valuation Day last preceding the date of transfer or redemption (as the case may be).

- (vi) In order to give effect to the foregoing restrictions, the Company may, at any time, require certification or other evidence from any transferee of Shares as to whether such transferee is or is not (or is or is not acquiring the Shares for the account or benefit of) (a) a US Person, or (b) a person holding or beneficially owning Shares (or other securities of the Company) comprising 10 per cent. or more of the outstanding voting securities of the Company in circumstances where the beneficial ownership of such Shares or securities could be attributed to the holders of that person's outstanding securities under the provisions of Section 3(c)(1)(A) of the Investment Company Act, or (c) acquiring the Shares with a view to offering or selling such Shares within the United States or to US Persons.
 - (vii) A person who, by reason of any restriction is not qualified to acquire or ceases to be qualified to hold all or any of his/her/its Shares or who becomes aware that s/he/it is holding or owning Shares in breach of any law of any country or governmental authority or by virtue of any such law s/he/it is not qualified to hold such Shares, or that such holding will, or is likely to, cause a pecuniary, tax, legal, regulatory or material administrative disadvantage to the Company or to any Shareholder, must transfer such Shares to a person who is not prohibited or otherwise disqualified from holding such Shares.
 - (viii) The Company may at any time and from time to time call upon any holder of Shares to provide such information and evidence as it shall require upon any matter connected with, or in relation to, such holder of Shares. If such information and evidence is not provided within 14 days, the Company may treat such person as a Non-Qualifying Person and apply the transfer provisions applicable to a Non-Qualifying Person.
 - (ix) The Directors may either (i) compulsorily redeem, or require the transfer of any shares in issue; or (ii) decline to register any transfer of shares if the holding of the shares by such holder of the shares or transferee of the shares would, in the conclusive determination of the Directors, cause a pecuniary, tax, legal, regulatory or material administrative disadvantage to the Company or its Shareholders as a whole in any jurisdiction.
 - (x) The registration of transfer may be suspended at such time and for such periods as the Company may from time to time determine.
- (e) Redemption of Shares
- (i) Subject to relevant provisions of Cayman Islands' law and the Articles, the Company may from time to time by not less than 30 calendar days' notice to the Shareholders redeem all or any portion of the Shares held by the Shareholders at the redemption price denominated in Dollars and calculated in accordance with paragraph (ii) below from any funds legally available therefor, including from capital, on, inter alia, the following terms:
 - (A) on any redemption the Company will have the power to divide in-kind the whole or any part of the assets of the Company and appropriate such assets in satisfaction or part satisfaction of the redemption price;
 - (B) the redemption of Shares will be made in the Company's absolute discretion, and shall apply to all holders of Shares pro rata to the number of Shares comprised in their shareholdings;

- (C) upon redemption, each holder of Shares who/which has been issued a Share certificate will lodge with the Company or its authorised agent a duly endorsed certificate for the Shares to be redeemed and subject to subparagraph (E) below no payment of redemption proceeds will be made until such duly endorsed certificate has been received;
 - (D) on redemption of part only of the Shares comprised in a certificate (if any has been issued), the Company will procure that a balance certificate in respect of the Shares not redeemed will be sent free of charge to the relevant holder or as that holder shall direct;
 - (E) the Company may at its option dispense with the production of any certificate which has been lost or destroyed upon compliance by the holder of Shares with the same requirements as apply in the case of an application by him for replacement of a lost or destroyed certificate under the Articles; and
 - (F) any amount payable to a holder of Shares in connection with the redemption of his/her/its Shares will be paid in Dollars and will be posted at the holder's risk by or on behalf of the Company to the holder not later than 30 calendar days after the effective date of the redemption, provided that the Company may delay payment of redemption proceeds beyond such period if settlement of sales or other realization of securities on any stock market is delayed or suspended, or any necessary conversion or transfer of funds is delayed for any reason beyond the control of the Company. Alternatively, redemption proceeds may be paid by distribution in-kind of all or part of a Shareholder's pro-rata portion of a portfolio investment made by the Company, where the Shareholder so elects and the Company consider this to be appropriate and feasible. Any such distribution in-kind shall be on terms determined by the Company.
- (f) The redemption price for each Share redeemed pursuant to (i) above is calculated by:
- (i) ascertaining the value of the net assets of the Company in Dollars for this purpose under the Articles as at the most recent Valuation Day;
 - (ii) deducting therefrom such sum as the Company in its absolute discretion may consider represents an appropriate allowance for duties and charges in relation to the realization of all the investments held by the Company on the relevant Valuation Day on the assumption that such investments had been realised on that Valuation Day;
 - (iii) adjusting the net asset value determined under paragraphs (A) and (B) above to reflect the actual cost of converting any amount if necessary into Dollars at such rate of exchange as the Company may in its absolute determination consider appropriate in all the circumstances at any time prior to payment of the redemption price. The certificate of the Company as to the conversion rate applicable (which may take account of the costs of conversion) will, in the absence of manifest error, be conclusive and binding on all persons;
 - (iv) dividing the amount so calculated by the number of Shares then in issue; and
 - (v) adjusting the resulting sum downwards to the nearest whole cent (the amount necessary to effect such downward adjustment being payable to the Company for its absolute use and benefit).
- (g) Holders of Shares have no right to require their Shares to be redeemed by the Company.

4.3 Purchase of Shares

The Company may purchase its own Shares either to be held as treasury shares or cancelled provided that:

- (a) the maximum number of Shares authorised to be acquired is 10 per cent. of the Shares in issue at the date of the 2014 AGM;
- (b) the maximum price which may be paid for any Share is a price which is less than the latest published NAV per Share at the time of the repurchase; and
- (c) any such repurchase shall be made in accordance with all applicable laws and regulations at the time of the repurchase.

4.4 Alteration of Share Capital

- (a) The Company may by Ordinary Resolution (unless an amendment to the Memorandum or the Articles is required, in which case a special resolution of the shareholders of the Company will be required) increase its share capital, consolidate or divide all or any of its share capital into Shares of a larger amount than its existing Shares, cancel any Shares not taken by any person at the date of the passing of the resolution (and diminish the amount of its authorised share capital by the amount of the Shares so cancelled), subdivide its Shares or any of them into Shares of a smaller amount or divide its Shares into several classes with different rights and/or restrictions, including as to dividends, distributions or voting.
- (b) Subject to the provisions of the laws of the Cayman Islands, the Company may by a special resolution of the shareholders of the Company reduce its share capital, any capital redemption reserve fund or any share premium account.

4.5 Variation of Rights

If at any time the capital of the Company is divided into different classes of shares, all or any of the rights for the time being attached to any class of shares for the time being issued (unless otherwise provided by the terms of the issue of the shares of that class) may, subject to the provisions of the Companies Law, be varied or abrogated either with the consent in writing of the holders of not less than 3/4th in nominal value of the issued shares of that class or with the sanction of a special resolution of the shareholders of the Company passed at a separate general meeting of the holders of such shares.

4.6 General Meetings

- (a) The Company holds a general meeting in each year as its annual general meeting in addition to any other general meeting in that year and specifies the meeting as such in the notices calling it. The annual general meeting is held at such time and place as the Board may appoint. Not more than 15 months may elapse between the date of one annual general meeting and that of the next. All general meetings other than annual general meetings are called extraordinary general meetings.
- (b) The Board may whenever it thinks fit, and it shall on the requisition of Shareholders pursuant to the provisions of the Companies Law, proceed to convene a general meeting of the Company in accordance with the requirements of the Companies Law.
- (c) At least 21 days' notice in writing is given of an annual general meeting and, subject to the provisions of the Companies Law relating to special resolutions, seven days' notice in writing or such longer period as the Board shall determine is given of any extraordinary general meeting. Every notice is (i) exclusive of the day on which it is served or deemed to be served but inclusive of the day on which it is given, and (ii) specifies the time, place and agenda of the meeting and in the case of special business, the general nature of that

business and particulars of the resolutions to be considered thereat, and (iii) is given in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company provided that a general meeting of the Company shall be deemed to have been duly convened if it is so agreed:

- (i) in the case of a general meeting called as an annual general meeting, by all the Shareholders entitled to attend and vote thereat or their proxies; and
 - (ii) in the case of an extraordinary general meeting, by a majority in number of the Shareholders having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the Shares giving that right.
- (d) No business may be transacted at any general meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business; two Shareholders present in person or by proxy and entitled to attend and vote shall be a quorum provided always that (a) if the Company has only one Shareholder of record the quorum is that one Shareholder present in person or by proxy and (b) no special resolution of the shareholders of the Company is passed at any meeting unless Shareholders holding or representing not less than 25 per cent. of the issued Shares entitled to attend and vote (or any class thereof) are present in person or by proxy. The absence of a quorum does not preclude the appointment, choice or election of a chairperson which is not treated as part of the business of the meeting.
- (e) If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Shareholders, is dissolved and in any other case it stands adjourned to the same day in the next week at the same time and place or to such other time or such other place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Shareholders present shall be a quorum.
- (f) The chairperson, if any, of the Board presides as chairperson at every general meeting of the Company, or if there is no such chairperson, or if s/he is not present within 15 minutes after the time appointed for the holding of the meeting, or is unwilling to act, the Directors present shall elect one of their number to be chairperson of the meeting.
- (g) If at any general meeting no Director is willing to act as chairperson or if no Director is present within 15 minutes after the time appointed for holding the meeting, the Shareholders present shall choose one of their number to be chairperson of the meeting.
- (h) The chairperson may, with the consent of any general meeting duly constituted hereunder, and must if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a general meeting is adjourned for three months or more, notice of the adjourned meeting is given as in the case of an original meeting; save as aforesaid it is not necessary to give any notice of an adjournment or of the business to be transacted at an adjourned general meeting.
- (i) At any general meeting a resolution put to the vote of the meeting is decided on a show of hands unless, (before or on the declaration of the result of the show of hands, or on the withdrawal of any other demand for a poll), a poll is duly demanded. A poll may be demanded by:
- (i) the chairperson of the meeting; or
 - (ii) at least three Shareholders present in person or by proxy and entitled to vote; or

- (iii) any Shareholder or Shareholders present in person or by proxy and representing in the aggregate not less than 1/10th of the total voting rights of all Shareholders having the right to attend and vote at the meeting; or
 - (iv) any Shareholder or Shareholders present in person or by proxy and holding Shares conferring a right to attend and vote at the meeting on which there have been paid-up sums in the aggregate equal to not less than 1/10th of the total sum paid-up on all Shares conferring that right.
- (j) Unless a poll be so demanded, a declaration by the chairperson that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Company's minute book containing the minutes of the proceedings of the meeting is conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- (k) In the case of an equality of votes, whether on a show of hands or on a poll, the chairperson of the general meeting at which the show of hands takes place or at which the poll is demanded, is entitled to a second or casting vote.

4.7 Directors

- (a) The number of Directors may not be less than two or exceed seven and they are appointed as follows:
- (i) three Directors have been appointed by the Shareholders. These Directors will serve in office until the next occurring annual general meeting of the Company. Each of the Directors may submit himself/herself for re-election at the next occurring annual general meeting of the Company. The re-elected Director or his/her replacement will hold office until the next annual general meeting of the Company. If a Director resigns prior to any annual general meeting, the remaining Directors may appoint a replacement to serve until the next annual general meeting.
 - (ii) The Board is entitled to appoint and remove two additional independent, non-executive Directors on the recommendation of two Shareholders who hold large numbers of Shares, as determined by the Board.
- (b) All Directors have the same right to vote at meetings of the Board. Questions arising at any meeting are decided by a majority of votes of the Directors present at a meeting at which there is a quorum. In case of an equality of votes, the chairperson has a second or casting vote.
- (c) There is no shareholding qualification for Directors. Nor is there any requirement that a Director retire at any particular age unless otherwise required by applicable law.
- (d) The quorum necessary for the transaction of the business of the Board is fixed by the Board and unless so fixed is three. An alternate Director or proxy appointed by a Director is counted in a quorum at a meeting at which the Director appointing him is not present.
- (e) The remuneration of each Director is determined by the Board subject to a maximum aggregate amount of US\$350,000 per annum being paid to the members of the Board as a whole, and such limit may only be increased by Ordinary Resolution. The Directors are also paid all reasonable travelling, hotel and other expenses properly incurred by them in going to, attending and returning from meetings of the Board or any committee of the Board or general meetings of the Company or in connection with the performance of their duties as Directors.
- (f) Save as otherwise provided by the Articles, a Director is not entitled to vote on (and s/he will not be counted in the quorum in relation to) any resolution of the Board in respect of

any contract or arrangement in which s/he is to his/her knowledge materially interested and, if s/he does so, his/her vote will not be counted, but this prohibition does not apply to any of the following matters namely:

- (i) the giving of any security or indemnity either:
 - (A) to the Director in respect of money lent or obligations incurred or undertaken by him/her at the request of or for the benefit of the Company or any of its subsidiaries; or
 - (B) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director has himself/herself assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director is or is to be interested as a participant in the underwriting or sub-underwriting of the offer;
 - (A) any proposal concerning any other company in which the Director is interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director is beneficially interested in shares of that company;
 - (B) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries, including:
 - (1) the adoption, modification or operation of any employees' share scheme or any incentive or share option scheme under which s/he may benefit; or
 - (2) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors and employees of the Company or any of its subsidiaries and does not provide in respect of any Director as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
 - (C) any contract or arrangement in which the Director is interested in the same manner as other holders of Shares or debentures or other securities of the Company by virtue only of his/her interest in Shares or debentures or other securities of the Company.
- (iii) The Company may by Ordinary Resolution (a) suspend or relax the restrictions in the Articles on Directors' interests, including those described above, to any extent or (b) ratify any transaction not duly authorised by reason of a contravention of the restrictions in the Articles on Directors' interests, including those described above.
- (iv) The Board may from time to time and by resolution delegate such of their powers as they consider appropriate to a committee consisting of some of the Directors.
- (v) Each Director has the power to appoint any person to be his/her alternate Director.
- (vi) Every Director and officer for the time being of the Company and their representatives, heirs, executors, administrators, personal representatives or successors or assigns will, in the absence of fraud, negligence or wilful default, be indemnified and held harmless out of the assets and funds of the Company against all actions, proceedings, costs, charges, expenses, including travelling expenses,

losses, damages or liabilities, which any such Director or officer may incur or for which s/he may become liable in respect of or by reason of any contract entered into or act or thing done by him/her as such officer or servant, or in any way in discharge of his/her duties and the amount for which such indemnity is provided will immediately attach as a lien on the property of the Company and have priority as between the Shareholders over all other claims. No such Director or officer will be liable or answerable (i) for the acts, receipts, neglects, defaults or omissions of any other Director or officer, or (ii) for joining in any receipt for money not received by him/her personally or other act for conformity, or (iii) for any loss on account of defect of title to any property of the Company, or (iv) on account of the insufficiency of any security in or upon which any of the assets of the Company is invested or for any loss of any of the assets of the Company which is invested, or (v) for any loss incurred through any bank, broker or other agent, or (vi) for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any assets, securities or effects are deposited, or (vii) for any loss occasioned by any negligence, default, breach of duty, breach of trust, error of judgment or oversight on his/her part, or (viii) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers, authorities, or discretions of his/her office or in relation thereto unless the same happens through his/her own fraud or wilful default.

4.8 Borrowing powers

The Board may exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party, provided that no borrowing may be incurred which would cause the aggregate amount of all moneys borrowed by the Company (including the amount of any loan capital and debentures) to exceed an amount representing 25 per cent. of the latest available Net Asset Value of the Company at the time of the borrowing unless the Shareholders in general meeting otherwise determine by Ordinary Resolution. All guarantees or indemnities that expose the Company to a contingent liability must be signed by a Director pursuant to a duly authorised resolution of the Board in order to be valid.

4.9 Issue of Shares

Subject to the provisions of the Articles and to any direction that may be given by the Company in general meeting, the Board may allot, issue, grant options over or otherwise dispose of Shares of the Company to such persons, at such times and for such consideration and on such terms and conditions as they think proper.

4.10 Pre-emption rights

There is no provision of Cayman Islands law which confer rights of pre-emption upon the issue or sale of any Shares.

4.11 Disclosure requirements

There are no provisions in the Articles or Cayman Islands law requiring the disclosure of shareholdings in the Company by the Company or otherwise.

5 Compulsory acquisition rules relating to the Shares

Where a scheme or contract involving the transfer of shares or any class of shares in a company to another company has, within four months after the making of the offer, been approved by the holders of not less than 90 per cent. in value of the shares, the transferee company may give notice to any dissenting shareholder that it desires to acquire his/her shares. In the absence of a court order to the contrary, the transferee company is entitled and bound to

acquire those shares on the terms set out in the relevant scheme or contract in accordance with the Companies Law.

6 Valuation policy

Investments are recorded at fair value. The fair value of the securities is based on their quoted bid price at the balance sheet date without any deduction for transaction costs.

If the securities are not listed, the value of the relevant securities is ascertained by the Board in good faith using valuation methods which it considers fair in the circumstances including quotes received from brokers and other third party sources where possible.

The Net Asset Value and the NAV per Share is determined by the Administrator in accordance with the Articles and information supplied to it by or on behalf of the Company as at the close of business in the last relevant market to close on each Valuation Day. The NAV per Share is determined by dividing the Net Asset Value by the number of Shares issued and outstanding at the time of calculation and rounding up to three decimal places. The Auditors audit the financial statements and the Net Asset Value on an annual basis.

The Net Asset Value is expressed in US Dollars. For the purpose of establishing a US Dollars Net Asset Value at any particular Valuation Date, any assets and liabilities denominated in a currency other than US Dollars will be converted in accordance with the principles expressed in IFRS and on the basis that US Dollars is the functional currency of the Company.

The Net Asset Value is established in accordance with IFRS and, in relation to investments made by the Company, in accordance with the specific provisions of IAS 39. The Company will, where permitted by IAS 39, designate all its debt and equity investments as financial assets at fair value through profit or loss.

Specifically:

- (a) Listed securities are valued at their last traded prices at the last official close of the Vietnam Stock Exchanges on the relevant Valuation Day.
- (b) Investments in unlisted securities for which an active OTC Market exists are stated at fair value based upon price quotations received from at least two independent brokers.
- (c) Other unlisted securities are valued at fair value using a valuation technique determined by the Directors and in accordance with IAS 39.

The liabilities of the Company are deemed to include, among other things, such provisions and allowances for contingencies as the Board may from time to time consider appropriate and in accordance with IFRS.

For the purpose of ascertaining quoted, listed, traded or market dealing prices, the Administrator is entitled to use and rely upon mechanised and/or electronic systems of valuation dissemination with regard to valuation of investments of the Company and the prices provided by any such system are deemed to be the last traded prices for the purpose of paragraph (a) above.

The NAV per Share is published monthly through a Regulatory Information Service Provider as soon as practicable after the end of the relevant month.

The Investment Manager is obliged to immediately notify AIM if there is any suspension in the calculation of the Net Asset Value. Where possible, all reasonable steps would be taken to bring any period of suspension to an end as soon as possible.

The Company may suspend the calculation of NAV:

1. when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Company, disposal of investments is not reasonably practicable without materially and adversely affecting and prejudicing the interests of Shareholders, or if, in the opinion of the Company, a fair price cannot be calculated for a significant number of the assets of the Company;
2. when any stock exchange or over-the-counter market on which any significant portion of the investments of the Company is listed, quoted, traded or dealt in is closed or trading on any such stock exchange or market is restricted or suspended;
3. in the case of a breakdown of the means of communication normally used for the valuing of any investment or if for any reason the value of any investment may not be determined as rapidly and accurately as required;
4. if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions are rendered impracticable, or if purchases, sales, deposits and withdrawals of investment cannot be effected at the normal rates of exchange; or
5. when, in the opinion of the Board, a significant proportion (which is likely to exceed five per cent.) of the assets of the Company cannot be valued on an equitable basis.

7 Borrowings

The Company is permitted to borrow money and to grant security over its assets. However, the Articles limit such borrowings to 25 per cent. of the latest available Net Asset Value at the time of the borrowing unless the Shareholders in general meeting otherwise determine by Ordinary Resolution. All guarantees or indemnities that expose the Company to a contingent liability must be signed by a Director pursuant to a duly authorized resolution of the Board in order to be valid.

As at 15 May 2015 (being the latest practicable date prior to the publication of this document), the Company has no borrowings.

The Directors do not anticipate the Company taking on any debt or incurring any further contingent liability in the near future.

8 Interests of directors, major shareholders and related party transactions

8.1 Directors' interests

As at 15 May 2015 (being the latest practicable date prior to the publication of this document), the Directors had a beneficial interest in the following Shares and will, following Admission have a beneficial interest in the following number of Warrants:

Name	Number of Shares	Per cent. of issued Shares ¹	Warrants entitlement ²
Min-Hwa Hu Kupfer	36,667	0.06	12,222
Nguyen Quoc Khanh	10,000	0.02	3,333
Professor Dr. Rolf Dubs	30,000	0.05	10,000

¹ This percentage is of the issued share capital less the Shares held by the Company in treasury.

² These entitlements assume that the Directors satisfy the eligibility requirements of, or the Company is otherwise able to permit the Directors to participate in, the Bonus Issue. If these requirements are not satisfied, the Directors will not be entitled to receive the Warrants as set out above under the Bonus Issue.

Save as disclosed in paragraph 8.1 above, immediately following Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

8.2 Directors' contracts with the Company

- (a) None of the Directors provides his services to the Company pursuant to a service contract with the Company. Their appointments are subject to the terms of their letters of appointment.
 - (i) Min-Hwa Hu Kupfer has been engaged by the Company as a non-executive director since commencement in that office in May 2006.
 - (ii) Nguyen Quoc Khanh has been engaged by the Company as a non-executive director since commencement in that office in May 2006.
 - (iii) Professor Dr. Rolf Dubs has been engaged by the Company as a non-executive director since commencement in that office in May 2006.
- (b) The Board determines the fees payable to each Director, subject to a maximum aggregate amount of US\$350,000 per annum being paid to the Board as a whole. The Company will also pay reasonable expenses incurred by the Directors in the conduct of the Company's business including travel and other expenses. The Company pays for directors and officers liability insurance coverage.
- (c) For the year ended 30 June 2014, the Directors fees were US\$170,750 and expenses were US\$125,488. For the six month period ended 31 December 2014 the Directors' fees were US\$135,000 and expenses were US\$60,000.
- (d) The Directors were not paid any amount of remuneration by way of benefits in kind, pension contributions and any contingent or deferred compensation by the Company for their services in all capacities to the Company. Accordingly, there are no amounts set aside or accrued by the Company to provide pension, retirement or similar benefits to the Directors.
- (e) The Company has not made any loans to the Directors which are outstanding, nor has it ever provided any guarantees for the benefit of any Director or the Directors collectively.

8.3 Other interests

Over the five years preceding the date of this document, the Directors have held the following directorships (apart from their directorships of the Company) and/or partnerships:

Nguyen Quoc Khanh

- (a) Lesco Resort Limited (1998 to present)
- (b) Van Yen Limited
- (c) Kim Long Private
- (d) Gold Coin Management Holding Limited (2012 to 2014)

Professor Dr. Rolf Dubs

- (e) ARAG Insurance, Dusseldorf (2008 to present)

- (f) Veritec AG, Uzwil (2000 to present)
- (g) Hochalpinen Institut Ftan (2003 to present)
- (h) Underberg AG, Rheinberg (1983 to present)
- (i) Hoffman Neopac AG, Thun (1984 to present)

None of the Directors has any conflict of interest between any duties to the Company and to his private interest or to any other duties.

8.4 In the five year period prior to the date of this document none of the Directors:

- (a) had any convictions in relation to fraudulent offences;
- (b) were associated with any bankruptcies, receiverships or liquidations of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and
- (c) received any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administration, management of supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.

8.5 Major shareholders

- (a) As at 15 May 2015 (being the latest practicable date prior to the publication of this document) insofar as known to the Company, the following parties had declared a notifiable interest in the Company's voting rights:

Shareholder	Number of Shares	Per cent. of issued Shares
De Pury Pictet Turrettini & Cie SA	3,074,831	5.13
Ecclesiastical Investment Management	3,000,000	5.01
Advance Emerging Capital	2,800,000	4.67

The two major shareholders on the Register are nominees for all accountholders in the Clearstream and Euroclear settlement systems.

- (b) All Shareholders have the same voting rights in respect of the share capital of the Company.
- (c) The Company and the Directors are not aware of any person, who directly or indirectly, jointly or severally, exercises or could exercise control over the Company.
- (d) The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

8.6 Related party transactions

- (a) Other than as described in paragraph 8.6 (b) below, the Company has not entered into any related party transaction (as defined by IFRS) during the three financial years to 30 June 2012, 30 June 2013 and 30 June 2014 or during the period 1 July 2014 to 15 May 2015 (being the latest practicable date prior to the publication of this document).

- (b) The Company is party to the Investment Management Agreement with the Investment Manager, which is summarised in paragraph 10.1 of this Part VIII. The Company has also paid each of the Directors fees during the relevant period.
- (c) During the year ended 30 June 2014, Min-Hwa Hu Kupfer and Rolf Dubs exercised 6,667 and 10,000 2012 Warrants respectively and received 6,667 and 10,000 new Shares respectively. No 2012 Warrants were outstanding as at 30 June 2014.

8.7 Other material interests

None of the directors has any conflict of interest between any duties to the Company and his private interests and any other duties. The Investment Manager, the Secretary, their respective directors, officers, employees, agents and affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an Interested Party) may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. In particular, Interested Parties may provide services similar to those provided to the Company to other entities and shall not be liable to account for any profit from any such services. For example, an Interested Party may acquire on behalf of a client an investment in which the Company may invest.

9 Share options and share scheme arrangements

Subject to the rights attaching to the Bonus Issue, no share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

10 Material contracts

Save as detailed below, as at the date of this document there are no other contracts (not being contracts entered into in the ordinary course of business) entered into by the Company since its incorporation which are or may be material or which contain any provision under which the Company has any obligation or entitlement which is material to it as at the date hereof.

10.1 The Investment Management Agreement

Pursuant to the terms of the Investment Management Agreement, the Investment Manager was appointed to provide a continuous investment program for the Company's assets, including seeking suitable investments for the Company, advising and supporting in relation to the development of investments held by the Company, seeking ways in which the Company might dispose of its investments, and the provision of investment research and advice with respect to all securities and investments and cash equivalents comprised in the Company's assets, and of certain other services to the Company under the terms of that agreement. Subject to the overall control and direction of the Board, the Investment Manager determines which securities and other investments will be purchased, retained or sold by the Company and places all sale and purchase orders on behalf of the Company. In the performance of its obligations under the Investment Management Agreement, the Investment Manager has undertaken to act honestly and in the best interests of the Company, to exercise the care, diligence and skill which a reasonably prudent investment manager would exercise in the circumstances, to comply with the laws and regulations in force from time to time in Vietnam and with the investment objectives, policies and restrictions for the time being and from time to time of the Company as established by the Directors and made known to the Investment Manager, and with the Articles, and the Investment Manager is required to have regard to:

- (a) any restrictions set out in this document or any subsequent listing particulars or equivalent document; and
- (b) any other matter to which a prudent discretionary investment portfolio manager should reasonably pay regard in the proper discharge of its duties.

The Investment Manager has made no representation or warranty as to the performance of the Company or the success of any investment strategy recommended or used by the Investment Manager. The Investment Management Agreement contains provisions pursuant to which the Company agrees not to make claims against the Investment Manager or any of its directors, officers, agents or employees, and to indemnify such persons against any claims which may be made against them by third parties and against any costs, losses or expenses which any of them may incur, as a result of, or in connection with the provision by or on behalf of the Investment Manager of services under the Investment Management Agreement, except to the extent that the same is directly attributable to the gross negligence, wilful default or fraud of the Investment Manager or any of its directors, officers, agents or employees. The Investment Management Agreement may be terminated by the Company, without being required to pay any termination fee to the Investment Manager, by giving notice in writing to the Investment Manager if (i) a petition is presented for the winding-up of the Investment Manager (except in respect of a voluntary winding-up for the purpose of a reconstruction or amalgamation upon terms previously approved in writing by the Company) and is not discharged within 90 days or if a liquidator is appointed in respect of any of the assets of the Investment Manager or any analogous event occurs or action is taken in any jurisdiction other than the Cayman Islands; or (ii) if the Investment Manager has committed any material breach of its obligations under the Investment Management Agreement and, if such breach shall be capable of remedy, fails within 30 days of receipt of notice requiring it to make good such breach; or (iii) if the Investment Manager is or was fraudulent; or (iv) if the Investment Manager was grossly negligent in the performance of its duties under the Investment Management Agreement and this resulted in a substantial loss being incurred by the Company. The Investment Manager is entitled to retire at any time on giving notice to the Company of the Company commits any material breach of its obligations under the Investment Management Agreement and (if such breach shall be capable of remedy) the Company fails within 30 days of receipt of notice requiring it so to do to make good such breach. In addition to the rights of termination for cause, either party may terminate the Investment Management Agreement without cause at any time, provided however that any such termination may only be effective upon the expiration of not less than one year's notice in writing to the other party.

The Investment Manager is entitled to an investment management fee of:

- (a) one twelfth of 2 per cent. per annum on the amount of the Net Asset Value up to and including US\$100 million;
- (b) one twelfth of 1.75 per cent. per annum on the amount of the Net Asset Value above US\$100 million up to and including US\$150 million; and
- (c) one twelfth of 1.50 per cent. per annum on the amount of the Net Asset Value above US\$150 million.

The fee is payable monthly in advance and is calculated by reference to the Net Asset Value on the most recent Valuation Date. The Investment Manager is reimbursed by the Company for administrative functions that it performs on behalf of the Company.

The Company also pays to the Investment Manager an incentive fee each year at the rate of 15 per cent. of the annual increase in Net Asset Value over the higher of an annualized hurdle rate of 5 per cent. and a "high water mark" requirement. The Investment Manager's incentive fee may be no greater than 3 per cent. of NAV at the end of the prior financial year. One third of the fee earned is payable to the VNH Foundation, with the balance being payable to Investment Manager (85 per cent. of which is satisfied in cash and 15 per cent. of which is satisfied by the Company of the transfer of treasury shares). A previously agreed percentage of the fee received (8 per cent.) is distributed to the Board, with the exception of Min Hwa Hu Kupfer.

The total fees accruing to the Investment Manager for the year ended 30 June 2014 were US\$2,142,403 as a management fee and US\$160,000 for administrative support. An incentive fee of US\$954,449 was due as at 30 June 2014. The total fees accruing to the Investment

Manager for the six month period to 31 December 2014 were US\$1,238,979 as a Management Fee and US\$80,000 for administrative support.

10.2 The Custody Agreement

Standard Chartered Bank acting through its Singapore branch, acts as Custodian pursuant to the Custody Agreement. The Custodian is a bank incorporated in England with limited liability by Royal Charter. Its head office is in London and it was registered as a branch in Singapore with registration number S16FC0027L on 28 February 1916. The Custodian is regulated by the FCA in the conduct of its custody business.

The Custodian holds all assets of the Company received by the Custodian in accordance with the terms of the Custody Agreement. The Custody Agreement may be terminated by the Company or the Custodian upon 90 days' notice by either party. The Custodian can terminate the agreement by notice taking immediate effect where the Company has failed to pay the fees for three consecutive months, where it becomes unlawful for the Custodian to continue to provide the services or where the Company goes into liquidation or has a receiver (or its equivalent) appointed over any of its assets.

The Custodian may delegate any of its duties under the Custody Agreement, including the safekeeping of assets, to sub-custodians. The Custodian will not provide any other services or perform any other functions, except safekeeping and the usual administrative matters relating to the assets under custody, and will have no other duties or responsibilities relating to the Company; for instance, the Custodian will not provide advisory services or asset management services nor will it monitor investment management activities or investment strategies of the Company. The Custodian will not supervise or control the activities of the Investment Manager or the Administrator. The Custodian does not warrant the contents of the relevant fund-documentation, nor will it be involved in the management, administration or Net Asset Value calculation of the Company.

The Custodian does not act as a sponsor or promoter of the Company. Therefore, the Custodian does not assume any liability for negligence or wilful misconduct of the Investment Manager or Administrator and potential investors should not rely on the Custodian in deciding whether or not to invest in the Company. The Custodian is however liable to the Company for any direct loss suffered by or occasioned to the Company to the extent that there has been negligence, fraud or wilful misconduct on the part of the Custodian or an affiliated sub-custodian. The Custody Agreement contains an indemnity in favour of the Custodian for claims by third parties except to the extent that the claim arises from the negligence, fraud or wilful misconduct of the Custodian or an affiliated sub-custodian. The Custodian shall have a general lien over the securities held by the Custodian pursuant to the Custodian Agreement until the satisfaction of all the liabilities and obligations of the Company under the Custodian Agreement. The Custodian's obligations and liabilities are only to the Company and only as provided in the Custodian Agreement.

The fees of the Custodian are paid by the Company. The Custodian charges custody fees at rates that are agreed between the Company and the Custodian and are reviewed on an annual basis. The Company is invoiced by the Custodian monthly. The Custodian is entitled to be reimbursed by the Company for all reasonable out-of-pocket expenses.

The Custodian is authorised to act through and hold the Company's investments with sub-custodians. The Custodian will use reasonable care in the selection and appointment of sub-custodians. The applicable sub-custodian who is appointed by the Custodian as at the date of this document and who might be relevant for the purposes of holding the Company's investments is:

Country	Name of Sub-custodian	Regulatory status of sub-custodian
Vietnam	Standard Chartered Bank (Vietnam) Limited	State Securities Commission, Vietnam

The Custodian was not involved in preparing, and accepts no responsibility for any information contained in, this document.

10.3 The Administration Agreement

Standard Chartered Bank acting through its Singapore branch, acts as Administrator pursuant to the Administration Agreement. The Administrator is a bank incorporated in England with limited liability by Royal Charter. Its main office is in London and it was registered as a branch in Singapore with registration number S16FC0027L on 28 February 1916.

Pursuant to the terms of the Administration Agreement, the Administrator (or its duly appointed delegate) has agreed to provide certain administrative services and transfer agency services to the Company. The administrative services provided include preparing the annual accounts and reports of the Company and calculating the NAV per Share of the Company in accordance with information supplied to the Administrator.

In calculating the NAV per Share, the Administrator shall use prices ascribed to the Company's underlying assets that the Administrator has, in its capacity as the fund administrator, collected or received from (a) an independent financial market data provider available to and used by the Administrator in its capacity as a fund administrator or (b) the Company, the Directors, the Investment Manager or other agents/ parties appointed or nominated by the Company ((a) and (b) together the **Pricing Sources**). The Administrator shall not be liable to the Company, any investor or any other person in respect of any loss suffered from the use of, or reliance by, the Administrator on information provided by Pricing Sources in its calculations. Where a price for an underlying asset is available from more than one Pricing Source, the Administrator may, if so directed by the Company, compare the various prices it has collected or received with respect to the same underlying asset (a **Price Comparison**). With the exception of performing Price Comparisons, the Administrator is not responsible or liable for: (a) verifying any price ascribed by the Pricing Sources to any of the Company's underlying assets, including any illiquid and/or hard-to-value assets; or (b) the accuracy, correctness, completeness, reliability or current state of any price ascribed by a Pricing Source to any of the Company's underlying assets. The Administration Agreement provides that the Administrator is not liable to the Company or any Shareholder for any losses (which include any liability, obligation, claim, demand, action, penalty, proceeding, suit, charge, disbursement, cost (including legal costs), loss, damage or expense of any kind) incurred or suffered by reason of any action of the Administrator in relation to the Administration Agreement, in the absence of gross negligence, wilful default or fraud on the part of the Administrator. In addition, the Company has indemnified the Administrator and its affiliates in connection with any such losses which may be imposed on, incurred by or asserted against the administrator or its affiliates howsoever in connection with the provision of services under the Administration Agreement, other than by reason of the Administrator's gross negligence, wilful default or fraud. The Administrator's obligations and liabilities are only to the Company and only as provided in the Administration Agreement. The Administrator has no regulatory or fiduciary responsibility to the Company and/or any other person(s), in relation to the services provided by the Administrator under the Administration Agreement.

The Administration Agreement will remain in effect unless terminated upon not less than three months written notice by the Company or the Administrator. Either the Company or the Administrator can terminate the Administration Agreement forthwith by notice if, inter alia, the other has committed a material breach of the Administration Agreement and such breach has not been remedied within 30 days after notice requiring the same to be remedied, or if the other goes into liquidation or has a receiver (or its equivalent) appointed over any of its assets. The Administrator can terminate the agreement by notice with immediate effect in circumstances

where the Administrator has refused to act in accordance with instructions or perform the services where the Administrator determines in their absolute discretion might constitute a breach of any policy of the Custodian, Standard Chartered Bank plc or any applicable law.

Fees are payable by the Company to the Administrator at such rates as may be agreed in writing between the Company and the Administrator from time to time. The Administrator is entitled to be reimbursed by the Company for all reasonable out-of-pocket expenses.

The Administrator was not involved in preparing, and accepts no responsibility for any information contained in, this document.

10.4 The Registered Office and Secretarial Services Agreement

The Registered Office and Secretarial Services Agreement dated 6 June 2006 between the Company and the Secretary pursuant to which the Secretary has agreed to provide certain company secretarial services to the Company and to provide the registered office for the Company. The Registered Office and Secretarial Services Agreement will remain in effect unless terminated upon not less than three months' written notice by the Company or the Secretary. Either the Company or the Secretary can terminate the Registered Office and Secretarial Services Agreement on the giving of 30 days' written notice if the other has committed a breach of the agreement which has not been remedied within 30 days after notice requiring the same to be remedied. The Company has agreed to indemnify (on a full indemnity basis) the Secretary, Collas Crill & CARD and their respective officers, employees and partners against all liabilities, costs and expenses incurred (other than as arise in the ordinary course of business) in providing services under the Registered Office and Secretarial Services Agreement save where such liability, costs and expenses arise through the fraud, wilful default or negligence of the Secretary, Collas Crill & CARD or any of their respective officers, employees and partners.

Fees are payable by the Company to the Secretary at an annual fixed fee of US\$1,450 for the provision of registered office and secretarial services.

10.5 The Registrar Agreement

The Registrars Agreement, dated 21 May 2012, between the Company and the Registrar under which the Registrar is appointed to act as the Company's registrar. The fees of the Registrar are based on an activity schedule with certain minimum payments agreed by the Company.

The Registrars Agreement contains an indemnity from the Company in favour of the Registrar for any liabilities that the Registrar incurs during the performance of its duties under the agreement. The Registrar's liability to the Company is limited save in certain circumstances.

The Registrars Agreement may be terminated by the Company on six months' notice, such notice to end on an anniversary of the agreement. It may also be terminated by either party with immediate effect at any time upon sending written notice to the other party if a petition is presented for the winding up of such party or for an administration order in relation to such party and is not discharged within 14 days or a receiver is appointed to or execution is levied against all or a substantial part of that party's assets or that party is insolvent or unable to pay its debts or makes or seeks any arrangement or composition with its creditors. It may also be terminated on immediate written notice in the event of a material breach by either party where such breach is not remedied within 45 days of being given notice to do so by the other party.

10.6 The Depositary Agreement

A depositary agreement dated 19 May 2015, between the Company and the Depositary pursuant to which the latter is appointed to constitute and issue from time to time series of uncertificated depositary interests, each such series representing a particular class of securities issued by the Company, with a view to facilitating the indirect holding of, and settlement of transactions in, such securities of each class concerned by participants in CREST.

Under the Depositary Agreement the Depositary is entitled to certain fees including an initial set up fee of £7,500, an annual registration fee of £2 per depositary interest holder (subject to a minimum of £8,500), an annual FCA regulatory reporting charge of £500, certain transfer fees and certain additional fees in respect of optional services. These fees are subject to increase under the terms of the Depositary Agreement. The Depositary is also entitled to such fees as may be agreed from time to time in respect of any corporate actions that the Company requests the Depositary to take and the Depositary agrees to take.

The Depositary Agreement may be terminated by either party giving not less than 45 days' written notice to the other (subject, in the case of termination by the Company, to such notice expiring not earlier than the expiry of an initial period of three years or of each subsequent 12 month period). The Depositary Agreement may also be terminated immediately if one of certain standard events of default occurs or if either party commits an irremediable material breach of the agreement or a material breach which is not remedied within 30 days of the other party giving written notice thereof. The Depositary Agreement may further be terminated by either party giving three months' written notice to the other in the event that the parties do not reach an agreement regarding any increase of fees payable to the Depositary provided for in the agreement. The Depositary Agreement may also be terminated on the expiry of the Warrants in accordance with their terms.

Upon termination of the agreement, the Company shall pay to the Depositary fees in respect of all work actually performed and shall reimburse the Depositary for all fees, expenses and disbursements incurred including an administrative fee of £5,000, unless the agreement is terminated due to the expiry of the Warrants in accordance with their terms.

The Company has undertaken to indemnify the Depositary in respect of any losses, damages, claims, costs and expenses or other liabilities incurred by the Depositary by reason of breach of certain warranties or undertakings contained in the Depositary Agreement. The Company has further undertaken to indemnify the Depositary in respect of any losses, damages, claims, costs and expenses or other liabilities incurred by the Depositary by reason of the Depositary being treated as an offeror or issuer of securities in connection with the arrangements contemplated under the agreement. The Company also indemnifies the Depositary against losses suffered as a result of any claim made against the Depositary by any person with an interest in the depositary interests created under the Depositary Agreement arising out of the Depositary's performance of the agreement, save where such loss arises as a result of the negligence, wilful default or fraud of the Depositary.

The Depositary Agreement is governed by the laws of England.

10.7 Trustee Agreement

A trust deed dated 19 May 2015, between the Company and the Warrant Trustee under which the Warrant Trustee is appointed to act as trustee, in relation to the potential exercise of the subscription rights attaching to the Warrants, for the benefit of the Ineligible Shareholders. Under the Warrant Trustee Agreement, Shareholders are Ineligible Shareholders if:

- I. they are a Restricted Person; or
- II. they do not confirm their eligibility for the Warrants (whether or not they are in fact eligible).

The Warrant Trustee agrees to hold the Warrants until the Final Exercise Date and agrees not to exercise any subscription rights attaching to the Warrants before such Final Exercise Date. On or before the day preceding the Final Exercise Date the Warrant Trustee is required to determine whether such Warrants are 'in the money' and therefore worth exercising (i.e., whether, after deducting any costs (incurred by the Trustee in connection with the exercise of the subscription rights) and the Exercise Price from the aggregate proceeds of the sale of the shares, there remain any net proceeds).

The Warrant Trustee is also appointed to act as final subscription trustee in relation to the potential exercise of the subscription rights attaching to the Warrants that have not been exercised by 5.00 p.m. on the Final Exercise Date. By no later than the date prescribed for final exercise under the terms of the Warrants, the Warrant Trustee is required to determine whether such Warrants are 'in the money' and therefore worth exercising.

If the Warrants are 'in the money' the Warrant Trustee is required to exercise the Warrants, sell the Shares and transfer such net proceeds to the holders of Warrants that were not exercised by the Final Exercise Date and Ineligible Shareholders in proportion to the number of Warrants exercised in respect of each group, and then, in the case of the holders of Warrants, in accordance with their respective holdings of Warrants and, in the case of the Ineligible Shareholders, in accordance with their respective shareholdings at the time the Warrants were issued. If the Warrants are not 'in the money' the Warrant Trustee is not required to exercise the subscription rights and will give notice that the Warrants have lapsed and no payment will be made to the Ineligible Shareholders.

The Warrant Trustee is entitled to the following fees under the Trustee Agreement:

- (a) £2,000 acceptance fee payable when the Warrants are issued;
- (b) £2,500 trustee fee payable when the Warrants are issued;
- (c) a £7,000 annual custodian fee payable annually in advance;
- (d) a £2,500 exercise fee payable on the Final Exercise Date in respect of the Warrants held for the benefit of the Ineligible Shareholders; and
- (e) a £1,000 exercise fee payable after the Final Exercise Date in respect of the Warrant Trustee's role as final subscription trustee.

The Trustee Agreement contains an indemnity from the Company in favour of the Warrant Trustee and other trustee protections which are customary in an agreement of this nature.

The Trustee Agreement is governed by the laws of England.

10.8 Receiving Agent Agreement

A receiving agent agreement dated 19 May 2015, between the Company and the Receiving Agent under which the Receiving Agent is appointed to act as the Company's receiving agent in connection with the Bonus Issue. The fees of the Receiving Agent are based on the services performed with certain minimum payments agreed by the Company.

The receiving agent agreement contains an indemnity from the Company in favour of the Receiving Agent for any liabilities that the Receiving Agent incurs during the performance of its duties under the agreement. The Receiving Agent's liability to the Company is limited save in certain circumstances.

The Receiving Agent may also be terminated by either party with immediate effect at any time upon sending written notice to the other party if the other party commits a material breach of its obligations which such party fails to remedy within 14 days of receipt of notice to do so from the non-defaulting party or if a resolution is passed or an order made for the winding-up, dissolution

or administration of the other party, or if the other party is declared insolvent or if an administrator, administrative receiver, manager or provisional liquidator (or similar officer to any of the foregoing in the relevant jurisdiction) is appointed over the whole of or a substantial part of the other party or its assets or undertakings.

The receiving agent agreement is governed by the laws of England.

11 Corporate governance

As a Cayman Islands incorporated company that is admitted to trading on AIM and with a secondary listing on the Entry Standard, the Company is not required to, and does not, comply with any particular code of corporate governance.

However, the Directors recognise the importance of sound corporate governance commensurate with the size of the Company and the interests of Shareholders. The Company has adopted a code of ethics. The Company has adopted a voluntary Shareholder verification and reporting code whereby Shareholders notify the Company of any changes to their holding of Shares (as a result of an acquisition or disposal or event changing the breakdown of voting rights) whereby the proportion of voting rights which the Shareholders hold, reaches, exceeds or falls below 3 per cent. of the voting rights attaching to the Shares or moves through any whole percentage point above 3 per cent). The Directors comply with the AIM Rules, including AIM Rule 21 relating to directors' dealings. The Company has also adopted the a code for Directors' dealings in securities of the Company based on the model code annexed to Listing Rule 9 of the Listing Rules of the United Kingdom Listing Authority.

The Board is responsible for ensuring the appropriate level of corporate governance and, whilst the Company does not comply with either the UK Corporate Governance Code or the AIC Code, it has adopted corporate governance practices that it considers appropriate for a company of its size and activities.

The Board, currently chaired by Min-Hwa Hu Kupfer, consists of three non-executive Directors, all of whom are regarded by the Board as independent of the Investment Manager, including the Chairperson, save as with regard to matters relating to the Investment Management Agreement, in which case Professor Dr. Rolf Dubs and Nguyen Quoc Khanh are not independent. The Board has also established a corporate governance committee, chaired by Professor Dr. Rolf Dubs, which has terms of reference including the regular review of the Company's corporate governance.

In relation to Board practices, the Board does not believe that length of service in itself necessarily disqualifies a Director from seeking re-election but, when making a recommendation, the Board will take into account the good corporate governance practices, including the need to refresh the Board and its committees.

12 Litigation

There have been no governmental, legal or arbitration proceedings (and no such proceedings are pending or threatened of which the Company is aware) in the 12 month period prior to the publication of this document which may have, or have had in the recent past, significant effects on the Company's financial position or profitability.

13 Significant change

Save for the 4.7 per cent. decrease in the unaudited Net Asset Value from US\$124.47 million as at 31 December 2014 to US\$118.58 million as at 15 May 2015 (being the latest practicable date prior to the publication of this document) and a corresponding drop in the unaudited NAV per Share from US\$2.059 to US\$1.979 over the same period, there has been no significant change in the financial or trading position of the Company since 31 December 2014, being the date to which the Company's last unaudited interim accounts were made up to.

14 Third party information

Where information has been sourced from Bloomberg, SBV, VietCapital and GSO, and the financial reports of the Company's top ten investments set out in Part III of this document, the Company confirms that this information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by those third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

15 Costs of the Bonus Issue

The costs of the Bonus Issue and the preparation of this document (including all advisers' fees, printing and other ancillary costs) are expected to be approximately US\$500,000 (including VAT), which will be borne by the Company.

16 Auditors

KPMG LLP of 16 Raffles Quay, 22-00, Hong Leong Building, Singapore were appointed auditors of the Company on 19 March 2012. They remain auditors as at the date of this document and were auditors for the three financial years ended 30 June 2012, 30 June 2013 and 30 June 2014. Prior to their appointment, the Company's auditors were KPMG Audit S.à.r.l. 31, Allée Scheffer L-2520 Luxembourg. KPMG Audit S.à.r.l. who acted as auditors to the Company from 6 June 2006.

17 Credit rating agencies

This document contains a reference to Moody's Investors Service Singapore Pte. Ltd. Moody's Investors Service Singapore Pte. Ltd. is not established in the EU and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended).

18 General

- 18.1** There are no patents or other intellectual property rights, licenses or particular contracts which are of fundamental importance to the Company's business and profitability.
- 18.2** Save as otherwise set out in this document and except for fees payable to the professional advisors whose names are set out on page 35 of this document and for payments made in the ordinary course of business, no person has received fees, securities in the Company or other benefit to a value of £10,000 (or its currency equivalent) whether directly or indirectly, from the Company within the 12 months preceding the application for Admission, or has entered into any contractual arrangement to receive from the Company, directly or indirectly, any such fees, securities or other benefit on or after Admission.
- 18.3** The Exercise Price represents a premium of US\$0.998 above the nominal value of a Share.
- 18.4** Other than an admission to trading on AIM and a secondary quotation on the Entry Standard, the Shares have not been admitted to dealings on any recognised investment exchange nor has any application for such admission been made and it is not intended to make any other arrangements for dealing in the Shares on any such exchange.
- 18.5** Altium Capital Limited of 30 St James's Square, London SW1Y 4AL United Kingdom, which is regulated in the UK by the FCA, has given and not withdrawn its written consent to the issue of this document with the references to its names being included in the form and context in which they appear.
- 18.6** The Company does not employ any employees, nor has it since its incorporation, and it does not own any premises.

18.7 Warrant certificates representing the Warrants are expected to be dispatched to Shareholders by post and at their own risk within 10 working days of the date of Admission.

18.8 Temporary documents of title will not be issued. Pending the dispatch of definitive Warrant certificates, instruments of transfers will be certified against the Register of Shareholders and Register of Warrants of the Company as applicable.

19 Documents on display

The following documents will be available for inspection during usual business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices of Norton Rose Fulbright LLP, 3 More London Riverside, London SE1 2AQ, United Kingdom for so long as this document remains valid:

19.1 this document;

19.2 the audited accounts of the Company for the financial years ended 30 June 2012, 30 June 2013 and 30 June 2014 respectively;

19.3 the unaudited financial information of the Company for the six month period ended 31 December 2014;

19.4 the letters of appointment referred to in paragraph 8 above; and

19.5 the material contracts referred to in paragraph 10 above.

Dated: 19 May 2015

DEFINITIONS

In this document the words and expressions listed below have the meanings set out opposite them, except where the context otherwise requires:

Administration Agreement	the agreement entered into between the Company and the Administrator dated 18 November 2011
Administrator	Standard Chartered Bank, Singapore Branch
Admission	the admission of the Warrants to trading on AIM becoming effective in accordance with the AIM Rules
AGM or Annual General Meeting	annual general meeting of the Company
AIF	Alternative Investment Fund, as defined in the AIFMD
AIFM	Alternative Investment Fund Manager, as defined in the AIFMD
Alternative Investment Fund Managers Directive or AIFMD	Directive 2011/61/EU of the European Parliament and of the Council
AIM	the AIM market of the London Stock Exchange
AIM Rules	the AIM Rules for Companies or, where the context requires, the AIM Rules for Nominated Advisers published by the London Stock Exchange
Articles	the articles of association of the Company, as amended from time to time
ASEAN	the Association of South East Asian Nations
Audit Committee	the audit committee duly appointed by the Board
Auditors	KPMG LLP (Singapore) in its capacity as auditors of the Company, or such other accounting firm as shall be appointed as auditors from time to time by the Company
Board or Directors	the board of Directors of the Company or any duly constituted committee thereof
Bonus Issue	the issue to Qualifying Shareholders of Warrants on the basis of 1 Warrant for every 3 Shares held on the Record Date
Business Day	any day on which banks are open for business in London (excluding Saturdays and Sundays)
Chairperson	the chairperson of the Board or any of its committees
Circular	the circular of the Company dated 2 April 2015 relating to the Bonus Issue
Clearstream, Luxembourg	Clearstream Banking, société anonyme
Companies Law	the Companies Law, Cap. 22 (2013 Revision) of the Cayman Islands as amended, modified or re-enacted from time to time

Company	VietNam Holding Limited
Corporate Governance Committee	the corporate governance committee duly appointed by the Board
CREST	the system for paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited in accordance with the Uncertificated Securities Regulations 2001
Custodian	Standard Chartered Bank, Singapore Branch
Custody Agreement	the agreement dated 18 November 2011 between the Custodian and the Company regarding the custody of the assets of the Company
Depository	Capita IRG Trustees Limited
Depository Agreement	the depository agreement dated 19 May 2015 between the Company and the Depository, further details of which are set out in paragraph 10.6 of Part VIII of this document;
Depository Interests	the dematerialised depository interests issued by the Depository representing the underlying Warrants
Dollar or \$ or US\$	the lawful currency of the United States
Dong or VND	the Vietnamese Dong, the lawful currency of Vietnam
EEA	the European Economic Area
EEA Member State	a member state of the EEA
Entry Standard	the Entry Standard market of the Deutsche Börse
ERISA	the United States Employee Retirement Income Security Act of 1974 (as amended)
ESG	Environmental, Social and (Corporate) Governance
EU	the European Union
Euro or €	the lawful currency of countries which are members of the Eurozone
Euroclear	Euroclear Bank S.A./N.V.
Exercise Date	a date on which Warrants may be exercised, including the Final Exercise Date
Exercise Price or Subscription Price	the price at which the Warrants may be exercised, which is equal to the NAV per Share on 31 March 2015 of US\$1.998
FCA	the UK Financial Conduct Authority (or any successor regulatory organisation)
Final Exercise Date	1 June 2017

FSMA	the Financial Services and Markets Act 2000, as amended from time to time
Government	The government of Vietnam
HMRC	Her Majesty's Revenue & Customs
HNX	the Ha Noi Stock Exchange
HoSE	the Ho Chi Minh City Stock Exchange
IFRS	International Financial Reporting Standards maintained by the International Accounting Standards Board
Ineligible Shareholders	Restricted Shareholders and any other Shareholders who do not confirm that they are Qualifying Shareholders
Internal Revenue Code	the US Internal Revenue Code of 1986, as amended
Investee Company	a company or other entity in which the Company has, directly or indirectly, invested
Investment Company Act	the United States Investment Company Act 1940 (as amended)
Investment Management Agreement	the agreement dated 6 June 2006 between the Investment Manager and the Company (and most recently amended on 19 November 2013) under which the Investment Manager agrees to manage the assets of the Company
Investment Manager	VietNam Holding Asset Management Ltd., the Investment Manager of the Company
Investing Policy	the investing policy adopted by the Company's shareholders on 10 November 2009, as may be amended from time to time
ISIN	International Securities Identification Number
London Stock Exchange	London Stock Exchange plc
Memorandum of Association	the memorandum of association of the Company, as amended from time to time
NAV per Share	the result obtained by dividing the NAV by the number of issued Shares at the time of calculation
Net Asset Value or NAV	the Company's net asset value as calculated in accordance with the Company's accounting policies and Article 102 of the Articles
Non-Qualified Holder	any person: (i) whose ownership of Shares may cause the Company's assets to be deemed "plan assets" for the purposes of the Internal Revenue Code; (ii) whose ownership of Shares may cause the Company to be required to register as an "investment company" under the US Investment Company Act (including because the holder of the shares is not a "qualified purchaser" as defined in the US Investment Company Act); (iii) whose ownership of Shares may cause the Company to register under the US Exchange Act, the US Securities Act or any similar legislation; (iv) whose ownership of Shares may cause the Company to not be considered a "foreign private issuer" as such

term is defined in rule 3b-4 under the US Exchange Act; or (v) whose ownership of Shares may cause the Company to be a “controlled foreign corporation” for the purposes of the Internal Revenue Code, or may cause the Company to suffer any pecuniary disadvantage (including any excise tax, penalties or liabilities under ERISA or the Internal Revenue Code)

Ordinary Resolution	a resolution passed by a simple majority of the votes of the Shareholders as, being entitled to do so, vote in person, or, in the case of corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a duly called and held general meeting of the Company or a Written Resolution
OTC Market	informal over-the-counter trading platform where all companies traded are unlisted companies
Pound Sterling or £	the lawful currency of the United Kingdom
Prospectus	this document
Prospectus Rules	the prospectus rules made by the FCA under section 73A of FSMA relating to the offer of securities to the public and admission of securities to trading on a regulated market, as amended from time to time
Qualifying Shareholders	holders of Shares whose names are entered on the Register at 5.00 p.m. on the Record Date, but excluding Restricted Shareholders
Receiving Agent	Capita Registrars Limited (trading as Capita Asset Services)
Record Date	the record date for the Bonus Issue, being 19 May 2015
Register	the register of members of the Company and/or the register of warrants of the Company;
Registered Office and Secretarial Services Agreement	the agreement dated 6 June 2006 between Collas Crill and CARD Corporate Services Ltd. and the Company
Registrars	Capita Registrars (Guernsey) Limited
Regulation S	Regulation S under the Securities Act
Regulatory Information Service	a service authorised to release regulatory announcements to the London Stock Exchange
Regulatory Information Service Provider	an entity that provides a Regulatory Information Service
Restricted Shareholders	Shareholders who are resident in, or citizens of, any Restricted Territory
Restricted Territory	EEA Member States (with the exception of the United Kingdom and, subject to certain limitations, Luxembourg), Australia, Canada, Japan, New Zealand, South Africa and the United States
SBV	State Bank of Vietnam

SCIC	State Capital Investment Corporation of Vietnam
SEC	the US Securities and Exchange Commission
Secretary	CARD Corporate Services Ltd
Securities Act	the US Securities Act of 1933, as amended
SEDOL	Stock Exchange Daily Official List reference
Share or Ordinary Share	an ordinary share of US\$1.00 each in the capital of the Company
Shareholder	a holder of Shares
SOE	a State-owned company in Vietnam
Special Resolution	a resolution consented to in writing by the holders of Warrants entitled to exercise 75 per cent of the votes at a meeting of the holders of Warrants or passed at a meeting of the holders of Warrants duly convened and held and carried by a majority of not less than 75 per cent of the votes cast on a show of hands or (if a poll is demanded) 75 per cent of the votes cast on a poll
SRI	Socially Responsible Investments
TIDM	Tradeable Instrument Display Mnemonic
Trustee Agreement	the trust deed dated 19 May 2015 between the Company and the Warrant Trustee, further details of which are set out in paragraph 10.7 of Part VIII of this document;
US Person	as defined by Rule 902 of Regulation S under the Securities Act
United Kingdom Listing Authority	the Financial Services Authority acting in its capacity as the competent authority for the purposes of the Prospectus Rules.
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
US, USA or United States	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction
US Exchange Act	the US Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated pursuant to it
US Investment Company Act	the US Investment Company Act of 1940, as amended, and the rules and regulations of the SEC promulgated pursuant to it
US Securities Act	the US Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated pursuant to it
Valuation Day	a day on which the NAV per Share is calculated by the Administrator
VAT	UK value added tax
Vietnam	the Socialist Republic of Vietnam

Vietnam Stock Exchanges	the Hanoi Stock Exchange and/or the Ho Chi Minh Stock Exchange
Vietnam Sub-Custodian	Standard Chartered Bank (Vietnam) Limited
VNAS	the Vietnam All Share Index, a free float adjusted index of companies listed on the HoSE
VNI	the Vietnam Index, a simple capitalisation-weighted index comprising every company listed on the HoSE
Warrants	the Warrants over Shares proposed to be issued pursuant to the Bonus Issue, on the terms set out in Part VI of this document
Warrant Trustee	Capita KWS Limited
Written Resolution	resolution in writing by all of the Shareholders entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more such Shareholders
WTO	World Trade Organization.
2012 Warrants	the warrants over Shares issued under the 2012 Warrant Issue
2012 Warrant Issue	the 2012 warrant issue made by the Company pursuant to the prospectus of the Company dated 21 May 2012