



**Eastspring Investments Fund
Management Limited Liability Company**

**Financial Safety Ratio Report
as of 30 June 2022**



**Eastspring Investments Fund Management Limited Liability Company
Corporate Information**

**Business Registration
License No.**

4104000113

24 May 2005

The Company's Business Registration License was amended once on 23 January 2006. The Business Registration License and its update were issued by the Ho Chi Minh City Department of Planning and Investment.

**Fund Management
Establishment and
Operation Licence No.**

03/UBCK-GPHDQLQ

26 May 2005

17/UBCK-GP

23 July 2008

27/UBCK-GPDC

20 November 2008

67/UBCK-GPDC

15 April 2010

25/GPDC-UBCK

9 December 2011

51/GP-UBCK

23 March 2012

08/GPDC-UBCK

26 March 2013

29/GPDC-UBCK

12 September 2013

63/GPDC-UBCK

10 August 2018

Business Licence No.

51/GP-UBCK

23 March 2012

The Fund Management Establishment and Operation Licence were issued by the State Securities Commission. On 23 March 2012, the State Securities Commission issued Business Licence No. 51/GP-UBCK which allows the Company to provide portfolio management services. On 26 March 2013, the State Securities Commission issued Amendment Licence No. 08/GPDC-UBCK to supplement securities advisory services to the Company's existing licences.

The Company's operating period, as defined in the Company's Charter, is consistent with that of the parent company, Prudential Assurance Vietnam Private Limited. The parent company's investment licence is valid until 29 October 2049.

Members' Council

Wendy Lim

Chairwoman

(from 21 March 2022)

Xavier Bernard Maurice Meyer

Chairman

(until 21 March 2022)

Ngo The Trieu

Member

Phuong Tien Minh

Member

Management

Ngo The Trieu

Chief Executive Officer

Registered Office

Saigon Trade Center
37 Ton Duc Thang Street, District 1
Ho Chi Minh City, Vietnam

Auditor

KPMG Limited
Vietnam

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**Eastspring Investments Fund Management
Limited Liability Company**

**THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness**

Re: Financial Safety Ratio Report

FINANCIAL SAFETY RATIO REPORT

As of 30 June 2022

To: The State Securities Commission of Vietnam

We undertake the following:

- (1) This report has been prepared based on up-to-date data at the reporting date in accordance with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance regulating financial safety ratios and measures for non-compliance applicable to securities business organisations;
- (2) The issues having impact on the Company's financial status that may arise after the reporting date will be updated in the next reporting period;
- (3) We fully accept legal responsibilities for the accuracy and fairness of the contents of this report.

12 August 2022

Prepared by:

Ms. Le Minh Thuy
Chief Accountant

Approved by:

Mr. Tran Vu Duy
Head of Internal Control
Department



Mr. Ngo The Trieu
Chief Executive Officer



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REVIEW REPORT ON FINANCIAL SAFETY RATIO REPORT

To the Members' Council Eastspring Investments Fund Management Limited Liability Company

We have reviewed the accompanying Financial Safety Ratio Report of Eastspring Investments Fund Management Limited Liability Company ("the Company") as at 30 June 2022 including the explanatory notes thereto which was authorised for issue by the Company's Management on 12 August 2022, as set out on pages 5 to 28.

Management's Responsibility

The Company's Management is responsible for the preparation and presentation of the Financial Safety Ratio Report in accordance with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 ("Circular 91") issued by the Ministry of Finance regulating financial safety ratios and measures for non-compliance applicable to securities business organisations, and for such internal control as the Management determines is necessary to enable the preparation of the Financial Safety Ratio Report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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



Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Financial Safety Ratio Report of Eastspring Investments Fund Management Limited Liability Company as of 30 June 2022 has not been prepared, in all material respects, in accordance with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance regulating financial safety ratios and measures for non-compliance applicable to securities business organisations.


Basis of Preparation and Restriction on Use

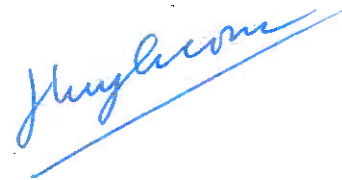
We draw attention to Note 2 to the Financial Safety Ratio Report, which describes the basis of preparation of Financial Safety Ratio Report. The Financial Safety Ratio Report has been prepared to enable the Company to comply with the requirements of Circular 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance regulating financial safety ratios and measures for non-compliance applicable to securities business organisations. As a result, the Financial Safety Ratio Report may not be suitable for another purpose. Our review report is intended solely for the Company's submission to the State Securities Commission of Vietnam and disclosure of information as required by Circular 91 and should not be used for any other purposes.

KPMG Limited's Branch in Ho Chi Minh City
Vietnam

Review Report No.: 22-01-00300-22-2




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



Phung Huy Cuong
Practicing Auditor Registration
Certificate No. 2675-2019-007-1

Ho Chi Minh City, 12 August 2022

**Eastspring Investments Fund Management Limited Liability Company
Financial Safety Ratio Report as of 30 June 2022**

No.	Items	Note	30/6/2022
I	Total market risk value (VND'000)	4	-
II	Total settlement risk value (VND'000)	5	23,912,703
III	Total operational risk value (VND'000)	6	24,981,121
IV	Total risk values (IV=I+II+III) (VND'000)		48,893,824
V	Liquid capital (VND'000)	7	261,793,401
VI	Liquid capital ratio (VI=V/IV) (%)		535%

12 August 2022

Prepared by:

Ms. Le Minh Thuy
Chief Accountant

Mr. Tran Vu Duy
Head of Internal Control
Department



Approved by:

Mr. Ngo The Trieu
Chief Executive Officer

The accompanying notes are an integral part of this Financial Safety Ratio Report

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022

These notes form an integral part of and should be read in conjunction with the accompanying Financial Safety Ratio Report.

1. Reporting entity

(a) Ownership structure

Eastspring Investments Fund Management Limited Liability Company (“the Company”) is a limited liability company licensed and incorporated in the Socialist Republic of Vietnam.

(b) Principal activities

The principal activities of the Company are to establish and manage securities investment funds, to provide portfolio management services and to provide financial consultancy and securities investment consultancy under the Fund Management Establishment and Operation Licence and its amendments.

The chartered capital of the Company as stipulated in the Fund Management Establishment and Operation Licence is 25 billion Vietnam Dong.

As at 30 June 2022, the Company had 24 employees (31/12/2021: 23 employees) of which one (1) is management personnel. As at 30 June 2022, the Company had 8 employees (31/12/2021: 8 employees) who were qualified for fund and asset management.

2. Basis of preparation of the Financial Safety Ratio Report

(a) Statement of compliance

The Financial Safety Ratio Report has been prepared to enable the Company to comply with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 (“Circular 91”) issued by the Ministry of Finance regulating financial safety ratios and measures for non-compliance applicable to securities business organisations. Accordingly, the Financial Safety Ratio Report and its utilisation are not designed for those who are not informed about the principles and requirements of Circular 91 on preparation and presentation of Financial Safety Ratio Report applicable to securities business organisations in Vietnam. As a result, the Financial Safety Ratio Report may not be suitable for another purpose.

(b) Underlying financial data

The Financial Safety Ratio Report was prepared based on the Company’s financial data as of 30 June 2022 and for the twelve-month period then ended. This Financial Safety Ratio Report should be read in conjunction with the Company’s interim financial statements for the six-month period ended 30 June 2022.

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

(c) Accounting and presentation currency

The Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for Financial Safety Ratio Report presentation purpose, rounded to the nearest thousand ("VND'000").

3. Summary of significant policies adopted in the preparation of the Financial Safety Ratio Report

The following significant policies have been adopted by the Company in the preparation of this Financial Safety Ratio Report.

(a) Liquid capital ratio

The Company's liquid capital ratio is calculated in accordance with the requirements of Circular 91 as follows:

$$\text{Liquid capital ratio} = \frac{\text{Liquid capital}}{\text{Total risk value}} * 100\%$$

in which, total risk value is the aggregate of market risk value (Note 3(c)), settlement risk value (Note 3(d)) and operational risk value (Note 3(e)).

(b) Liquid capital

Liquid capital is the capital which can be converted into cash within 90 days. Liquid capital comprises the following items:

- Owner's contributed capital, excluding redeemable preference share (if any);
- Capital surplus, excluding redeemable preference share (if any);
- Reserve to supplement charter capital;
- Investment and development fund (if any);
- Financial reserves;
- Other equity funds;
- Retained profits;
- Allowance for diminution in value of assets;
- 50% of upward revaluation value of fixed assets, if any, in accordance with the prevailing regulations (in case of upward valuation), or subtract the reduction value (in the case downward valuation);
- Foreign exchange differences; and
- Other capital (if any).

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

Additions to the Company's liquid capital include the following items:

- All increases in the values of investments, financial assets stated at book value excluding securities issued by related organisations of the Company and securities with the remaining restricted trading period exceeding 90 days at the reporting date;
- Convertible bonds and preference shares issued by the Company with the original terms to maturity of at least five (5) years, unsecured by assets of the Company, only acquired by the maturity date at the owner's request or acquired on secondary market after notifying the State Securities Commission of Vietnam, stop paying interest and of which the accumulated interest is transferred to the following year if the interest payments results in the Company's loss and registered with the State Securities Commission of Vietnam to supplement the liquid capital; and
- Other debt instruments issued by the Company with the original terms to maturity of more than ten (10) years; unsecured by assets of the Company; stopped paying interest and of which the accumulated interest is transferred to the following year if the interest payments results in the Company's loss and registered with the State Securities Commission of Vietnam to supplement the liquid capital

For debts being convertible into equity and registered with the State Securities Commission of Vietnam to supplement the liquid capital, the Company deducts 20% of original value each year during the last five (5) years before maturity/conversion date into ordinary shares and deducts 25% of the remaining value for each quarter in the last four (4) quarters before maturity/conversion date into ordinary shares. Value of items used to supplement the liquid capital is capped at 50% of the Company's equity.

Deductions from the Company's liquid capital include the following items:

- All decreases in the values of investments, excluding the securities issued by a related organisation of the Company and the securities with the remaining restricted trading period exceeding 90 days from the reporting date; on the basis of the difference between carrying amount and market value;
- Long-term assets;
- Current assets, including: securities issued by a related organisation of the Company and securities with the remaining restricted trading period exceeding 90 days from the reporting date; prepayments; receivables with the payback period or remaining maturity of over ninety (90) days; advances with clearance period of over ninety (90) days; other current assets;
- Items subject to qualified, adverse or disclaimer opinion/conclusion in the audited, reviewed financial statements (if any).



Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

When determining the deductions from liquid capital, the Company deducts from the liquid capital an amount equal to the minimum value of the market value of the assets, the book value and the residual value of the obligations (for the assets used as collaterals for the obligations of the Company and third parties) and the minimum value of the market value of the collaterals and the book value (for the assets secured by customers' assets).

(c) Market risk value

Market risk value is the value corresponding to the level of loss which may occur if the market value of owned assets and expected owned assets according to guarantee commitments changes unfavourably. Market risk value is determined in accordance with the requirements of Circular 91 as follows:

$$\text{Market risk value} = \text{Net position} * \text{Asset value} * \text{Market risk coefficient}$$

(i) Net position

Net position of any securities at a point of time is the quantity of securities currently held by the Company, after deducting the number of securities lent out and adding the number of securities borrowed in accordance with the prevailing regulations.

Market risk value excludes the market value of the following securities and assets:

- Treasury shares;
- Securities issued by a related party of the Company;
- Securities with the remaining restricted trading period exceeding 90 days at the reporting date;
- Matured bonds, matured debt instruments and matured money market valuable papers; and
- Securities being hedged by call warrants or futures contracts; call warrants and call warrants contracts used to hedge the underlying securities.

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

(ii) Asset value

Asset value is determined in accordance with principles for determining market value in Circular 91 as follows:

No.	Type of asset	Principles for determining market value
Cash and cash equivalents, money market instruments		
1	Cash in VND	Account balance at the reporting date
2	Foreign currencies	Value converted into VND at the exchange rate of credit institutions authorised for trading foreign currencies at the reporting date
3	Term deposits	Deposit amount plus accrued interest at the reporting date
4	Treasury bills, bank drafts, commercial papers, transferable certificates of deposits, bonds and other discounted money market instruments	Purchase price plus accrued interest at the reporting date
Bonds		
5	Listed bonds	<ul style="list-style-type: none"> ➤ Average quoted price from the Stock Exchanges at the latest trading date plus accrued interest (if the quoted price is clean price) ➤ If there were no transactions in the two (02) weeks until the reporting date, market value is the highest value of the following: <ul style="list-style-type: none"> + Purchase price plus accrued interest; + Par value plus accrued interest; or + Value determined in accordance with the Company's internal methodology plus accrued interest. <p><i>In other words:</i> Max (Purchase price plus accrued interest; Par value plus accrued interest; Value determined in accordance with the Company's internal methodology plus accrued interest)</p>
6	Unlisted bonds	<p>The highest value of the following:</p> <ul style="list-style-type: none"> + Quoted price, (if any), from the quoting system selected by the Company plus accrued interest; + Purchase price plus accrued interest; + Par value plus accrued interest; or + Value determined in accordance with the Company's internal methodology plus accrued interest. <p><i>In other words:</i> Max (Quoted price (if any) plus accrued interest; Purchase price plus accrued interest; Par value plus accrued interest; Value determined in accordance with the Company's internal methodology plus accrued interest)</p>

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

No.	Type of asset	Principles for determining market value
Shares		
7	Shares listed on the Ho Chi Minh City Stock Exchange	<ul style="list-style-type: none"> ➤ Closing price at the latest trading date until the reporting date ➤ If there was no transaction in two (02) weeks until the reporting date, then market value is the highest value of the following: <ul style="list-style-type: none"> + Book value; + Purchase price; or + Value determined in accordance with the Company's internal methodology. <i>In other words:</i> Max (Book value; Purchase price; Value determined in accordance with the Company's internal methodology)
8	Shares listed on the Hanoi Stock Exchange	<ul style="list-style-type: none"> ➤ Closing price at the latest trading date until the reporting date ➤ If there was no transaction in two (02) weeks until the reporting date, then market value is the highest value of the following: <ul style="list-style-type: none"> + Book value; + Purchase price; or + Value determined in accordance with the Company's internal methodology. <i>In other words:</i> Max (Book value; Purchase price; Value determined in accordance with the Company's internal methodology)
9	Shares of public companies registered for trading on UpCom trading	<ul style="list-style-type: none"> ➤ Closing price at the latest trading date until the reporting date ➤ If there was no transaction in two (02) weeks until the reporting date, then market value is the highest value of the following: <ul style="list-style-type: none"> + Book value; + Purchase price; or + Value determined in accordance with the Company's internal methodology. <i>In other words:</i> Max (Book value; Purchase price; Value determined in accordance with the Company's internal methodology)

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

No.	Type of asset	Principles for determining market value
10	Shares already custodied but not yet listed and not yet registered for trading	<ul style="list-style-type: none"> ➤ Average of the quoted prices from at least three (03) securities companies which are not related to the Company at the latest trading date until the reporting date ➤ If there were no sufficient quoted prices from three (03) securities companies, then the market value is the highest value of the following: <ul style="list-style-type: none"> + Quoted prices from securities companies; + Price of the latest reporting period; + Book value; + Purchase price; or + Value determined in accordance with the Company's internal methodology. <i>In other words:</i> Max (Quoted prices from securities companies; Price of the latest period; Book value; Purchase price; Value determined in accordance with the Company's internal methodology)
11	Shares for which trading has been suspended or shares which have been delisted or cancelled	<p>The highest of the following:</p> <ul style="list-style-type: none"> + Book value; + Par value; or + Value determined in accordance with the Company's internal methodology. <i>In other words:</i> Max (Book value; Par value; Value determined in accordance with the Company's internal methodology)
12	Shares of organisations which are currently being dissolved or bankrupt	80% of the liquidation value of such shares at the latest balance sheet date, or value determined in accordance with the Company's internal methodology
13	Other shares and capital contribution	<p>The highest of the following:</p> <ul style="list-style-type: none"> + Book value; + Purchase price/capital contribution amount; or + Value determined in accordance with the Company's internal methodology. <i>In other words:</i> Max (Book value; Purchase price/capital contribution amount; Value determined in accordance with the Company's internal methodology)
Funds/Shares of securities investment companies		
14	Closed-end public funds/ETF Fund	<ul style="list-style-type: none"> ➤ Closing price at the latest trading date until the reporting date ➤ If there was no transaction in two (02) weeks until the reporting date, the latest NAV/fund unit until the reporting date

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

No.	Type of asset	Principles for determining market value
15	Member funds/Open-ended funds/Shares issued in private placement of securities investment companies	Latest Net asset value per capital contribution unit/fund certificate unit/share until the reporting date
16	Others	Value determined in accordance with the Company's internal methodology
Fixed assets		
17	Land use rights, etc.	Value determined by an independent valuation organisation appointed by the Company
18	Building and structures, including construction in progress	Value determined by an independent valuation organisation appointed by the Company/Accumulated costs of construction in progress
19	Machineries, equipments and motor vehicles etc	Net book value of the asset
20	Other fixed assets	Value determined by an independent valuation organisation appointed by the Company
Other securities		
21	Secured warrants issued by other securities business organisations	<ul style="list-style-type: none"> ➤ Closing price at the latest trading date until the reporting date ➤ Purchase price (for unlisted secured warrants)
22	Shares listed on overseas market	<ul style="list-style-type: none"> ➤ Price (in foreign currency) * exchange rate at the reporting date ➤ Closing price at the latest trading date until the reporting date ➤ If there was no transaction in two (02) weeks until the reporting date, then the market value is the highest value of the following: <ul style="list-style-type: none"> + Book value; + Purchase price; and + Value determined in accordance with the Company's internal methodology. <p><i>In other words:</i> Max (Book value; Purchase price; Value determined in accordance with the Company's internal methodology)</p>

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

(iii) Market risk coefficient

Market risk coefficient is determined for each type of asset in accordance with the requirements of Circular 91 as disclosed in Note 4.

(iv) Increase in market risk value

The market risk values of assets will be increased if the Company significantly invests in such assets, except for secured underwriting securities, Government bonds and bonds guaranteed by the Government. Market risk value is increased in accordance with the following principles:

- Increase by 10% if the value of any investment in shares and bonds of an organisation accounts for from above 10% to 15% of the Company's equity;
- Increase by 20% if the value of any investment in shares and bonds of an organisation accounts for from above 15% to 25% of the Company's equity; or
- Increase by 30% if the value of any investment in shares and bonds of an organisation accounts for more than 25% of the Company's equity.

Dividends, coupons, value of privileged rights of securities (if any) or interest receivables from cash and cash equivalents, transferrable instruments and valuable papers are added to the asset values when determining the market risk value.

(d) Settlement risk value

Settlement risk value is the value corresponding to the level of loss which may occur if a counterparty is unable to settle obligations or transfer assets on time as committed. Settlement risk value is determined at the end of transaction date or contract date as follows:

- Settlement risk value before the due date for payment/transfer of securities is determined in accordance with the following principle:

Settlement risk before due date:

$$= \text{Settlement risk coefficient by counterparty} * \text{Value of the asset with settlement risk}$$

The above principle to determine settlement risk value before due date is applicable for following contracts:

- Term deposits at credit institutions, certificates of deposits issued by credit institutions;
- Securities lending contracts and securities borrowing contracts in compliance with laws;
- Repurchase agreements in compliance with laws;
- Reverse repurchase agreements in compliance with laws;
- Margin loan contracts in compliance with laws;
- Accounts receivable relating to securities activities;
- Other contracts, transactions and payments; receivables from debt trading with partners other than Vietnam Asset Management Company and Vietnam Debt and Asset Trading Corporation; and
- Advances account for above 5% of Company's equity with remaining terms to maturity of less than 90 days.

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

- Overdue settlement risk value is determined in accordance with the following principle:

Overdue settlement risk:

$$= \text{Settlement risk coefficient by overdue status} * \text{Value of the asset with settlement risk}$$

The above principle to determine settlement risk value over the due date is applicable for:

- Overdue accounts receivable, including matured bonds, valuable papers, debt instruments not yet redeemed on maturity date;
- Assets beyond the time of transfer, including securities of the Company, securities of customers relating to securities brokerage activities; and
- Securities and cash not yet received from matured transactions and contracts include term deposits at credit institutions, certificates of deposits issued by credit institutions; loans to other organisations and individuals; securities lending contracts and securities borrowing contracts in compliance with laws; repurchase agreements in compliance with laws; reverse repurchase agreements in compliance with laws; margin loan contracts in compliance with laws; and receivables from customers relating to operating activities.

(i) Settlement risk coefficient

In accordance with the requirements of Circular 91, settlement risk coefficient by counterparty is as follows:

No.	Counterparty	Settlement risk coefficient
1	The Government, issuing organisations guaranteed by the Government and Central banks of countries in the OECD, People's Committee of provinces and cities under Central authority	0%
2	The Stock Exchanges, Vietnam Securities Depository and Clearing Corporation	0.8%
3	Credit institutions, financial institutions, and securities companies established in countries in the OECD and with a credit rating satisfying the internal rules of the Company	3.2%
4	Credit institutions, financial institutions, and securities companies established in countries outside the OECD; or established in countries in the OECD but with a credit rating not satisfying the internal rules of the Company	4.8%
5	Credit institutions, financial institutions, securities companies, securities investment funds, securities investment companies established and operating in Vietnam	6%
6	Other organisations, individuals and others	8%

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

In accordance with the requirements of Circular 91, settlement risk coefficient by overdue status is as follows:

No.	Overdue status	Settlement risk coefficient
1	From 0 to 15 days after the due date for payment/transfer of securities	16%
2	From 16 to 30 days after the due date for payment/transfer of securities	32%
3	From 31 to 60 days after the due date for payment/transfer of securities	48%
4	Above 60 days after the due date for payment/transfer of securities	100%

Time for payment/transfer of securities is in accordance with regulations on derivative securities (for derivative securities) T+2 (for listed securities), T+1 (for listed bonds), or T+n (for transactions agreed outside the trading system in n days according to agreement).

(ii) Value of assets with settlement risk

➤ *Value of assets with settlement risk in securities borrowing activities, securities lending activities, margin trading activities, repurchase/reverse repurchase and other activities:*

No.	Type of transaction	Value of assets with settlement risks
1	Term deposits, certificates of deposit, unsecured loans; contracts, transactions, capital utilisation under Point k, Clause 1, Article 10 of Circular 91	Total value of the deposit, deposits certificates, loans, contract value, trading value plus dividend, coupon, right value (applicable to securities) or accrued interest from deposits, loans, fees (applicable to loans)
2	Securities lending	Max {(Market value of the contract – Value of collateral assets (if any)), 0}
3	Securities borrowings	Max {(Value of collateral assets – Market value of the contract), 0}
4	Reverse repurchase agreements	Max {(Contract value calculated in accordance with purchase price – Market value of the contract * (1 – Market risk coefficient)), 0}
5	Repurchase agreements	Max {(Market value of the contract * (1 – Market risk coefficient) – Contract value based on the selling price), 0}
6	Margin loans (lending to customers to purchase securities)/Other arrangements with similar nature	Max {(Outstanding loan balance – Value of collateral assets), 0}

Outstanding balance comprises the principal, interest and related fees.

Value of collateral assets is based on the market value. When the market values of collateral assets are not available, market values are determined in accordance with Company's internal methodology.

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

➤ *Value of assets with settlement risk in securities trading activities:*

No.	Time	Value of assets with settlement risk
A. For the sale of securities transactions (seller is the Company or the Company's customers in brokerage activities)		
1	Before the due date for payment	Nil
2	After the due date for payment	Market value of the contract (if the market value is lower than the transaction price)
		Nil (if the market value is higher than the transaction price)
B. For the purchase of securities transactions (buyer is the Company or the Company's customers in brokerage activities)		
1	Before the due date for securities transfer	Nil
2	After the due date for securities transfer	Market value of the contract (if the market value is lower than the transaction price)
		Nil (if the market value is higher than the transaction price)

➤ *Settlement risk values of overdue accounts receivable, matured bonds and debt instruments are the underlying amounts including par value plus accrued interest and fees, less actual cash previously received, if any.*

(iii) Deductions from the value of assets with settlement risk

The Company deducts the value of collateral asset received from counterparties or customers from the value of assets with settlement risk when determining the value of assets with settlement risks if the contracts and transactions meet the following criteria:

- The counterparties or customers have collateral assets to secure for their obligations including cash, cash equivalents, valuable papers, transferable money market instruments, listed securities on the Vietnam Stock Exchanges and its subsidiaries (collectively Stock Exchange), Government bonds, or bonds underwritten by the Ministry of Finance; and
- The Company has the right to control, manage, use or transfer the collateral assets if the counterparties or customers fail to settle the obligations according to the contractual schedules.

Value of collateral assets deducted from the value of assets with settlement risk is calculated as follows:

$$\text{Value of collateral assets} = \text{Asset quantity} * \text{Asset value per unit} * (1 - \text{Market risk coefficient})$$

Asset value is determined in accordance with the requirements of Circular 91 as described in Note 3(c)(ii).

Market risk coefficient is determined in accordance with the requirements of Circular 91 as described in Note 4.

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

(iv) Increase in settlement risk value

Settlement risk values are increased in the following cases:

- Increase by 10% if the value of term deposits, certificates of deposit, loans, undue receivables, reserve repurchase agreements, repurchase agreements to any organisation or individual and group of related organisations and individuals accounts for from over 10% to 15% of the Company's equity;
- Increase by 20% if the value of term deposits, certificates of deposit, loans, undue receivables, reserve repurchase agreements, repurchase agreements to any organisation or individual and group of related organisations and individuals accounts for from over 15% to 25% of the Company's equity; or
- Increase by 30% if the value of term deposits, certificates of deposit, loans, undue receivables, reserve repurchase agreements, repurchase agreements to any organisation or individuals and group of related organisations and individuals (if any), or to any individuals and entities related to such individuals (if any), accounts for from more than 25% of the Company's equity.

(v) Netting off value of assets with settlement risk

The value of assets with settlement risk is netted off if:

- The settlement risk is related to the same counter party;
- The settlement risk arises from the same type of transactions; and
- The netting off is agreed by the parties in writing.

(e) Operational risk value

Operational risk value is the value corresponding to the level of loss which may occur due to a technical or system error, human error during the operations, shortage of capital arising from expenses, losses from investment activities, or other reasons.

The operational risk value of the Company is calculated at the higher of:

- 25% of the cost of maintaining the Company's operations for 12 consecutive months up to the time of calculation; and
- 20% of its minimum contributed capital applicable to operating activities of organisation in compliance with laws.

Operating expenses include all costs incurred during the period after deducting:

- Depreciation and amortisation expenses;
- Additions to/(reversals of) allowance for diminution in the value of short-term financial investments;
- Additions to/(reversals of) allowance for diminution in the value of long-term financial investments; and
- Additions to/(reversals of) allowance for doubtful debts.

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

4. Market risk value

Investment portfolio as of 30 June 2022		Risk coefficient	Risk exposure (VND'000)	Risk value (VND'000)
		(1)	(2)	(3)=(1)*(2)
I.	Cash and cash equivalents, money market instruments		253,075,615	
1.	Cash	0%	11,629,544	-
2.	Cash equivalents and term deposits	0%	241,446,071	-
3.	Valuable papers and transferable money market instruments, certificates of deposits	0%	-	-
II.	Government bonds			
4.	Zero-coupon Government bonds	0%	-	-
5.	Government coupon bonds: Government bonds, bonds issued by Governments of countries in the OECD or bonds guaranteed by the Government or Central bank of countries in the OECD, and bonds issued by IBRD, ADB, IADB, AFDB, EIB and EBRD, municipal bonds	3%	-	-
III.	Credit Institution bonds			
6.	Credit institution bonds with remaining terms to maturity of less than 1 year, including convertible bonds	3%	-	-
	Credit institution bonds with remaining terms to maturity of 1 year to less than 3 years, including convertible bonds	8%	-	-
	Credit institution bonds with remaining terms to maturity of 3 years to less than 5 years, including convertible bonds	10%	-	-
	Credit institution bonds with remaining terms to maturity of 5 years or more, including convertible bonds	15%	-	-
IV.	Corporate bonds			
	Listed corporate bonds			
7.	Listed bonds with remaining terms to maturity of less than 1 year, including convertible bonds	8%	-	-
	Listed bonds with remaining terms to maturity of 1 year to less than 3 years, including convertible bonds	10%	-	-
	Listed bonds with remaining terms to maturity of 3 years to less than 5 years, including convertible bonds	15%	-	-

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

Investment portfolio as of 30 June 2022		Risk coefficient	Risk exposure (VND'000)	Risk value (VND'000)
		(1)	(2)	(3)=(1)*(2)
	Listed bonds with remaining terms to maturity of 5 years and above, including convertible bonds	20%	-	-
	Unlisted corporate bonds			
8.	Unlisted bonds issued by listed companies with remaining term to maturity of less than 1 year, including convertible bonds	15%	-	-
	Unlisted bonds issued by listed companies with remaining terms to maturity of 1 year to less than 3 years, including convertible bonds	20%	-	-
	Unlisted bonds issued by listed companies with remaining terms to maturity of 3 years to less than 5 years, including convertible bonds	25%	-	-
	Unlisted bonds issued by listed companies with remaining terms to maturity of 5 years and above, including convertible bonds	30%	-	-
	Unlisted bonds issued by other companies with remaining term to maturity of less than 1 year, including convertible bonds	25%	-	-
	Unlisted bonds issued by other companies with remaining terms to maturity of 1 year to less than 3 years, including convertible bonds	30%	-	-
	Unlisted bonds issued by other companies with remaining terms to maturity of 3 years to less than 5 years, including convertible bonds	35%	-	-
	Unlisted bonds issued by other companies with remaining terms to maturity of 5 years and above, including convertible bonds	40%	-	-
V.	Shares			
9.	Ordinary shares and preference shares of companies listed on the Ho Chi Minh City Stock Exchange; fund units of open-ended funds	10%	-	-
10.	Ordinary shares and preference shares of companies listed on the Hanoi Stock Exchange	15%	-	-
11.	Ordinary shares and preference shares of unlisted public companies registered for UpCom trading	20%	-	-

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

Investment portfolio as of 30 June 2022		Risk coefficient	Risk exposure (VND'000)	Risk value (VND'000)
		(1)	(2)	(3)=(1)*(2)
12.	Ordinary shares and preference shares of public companies which have been registered for depository, but have not been listed or not yet registered for trading; shares of Initial Public Offerings (IPO)	30%	-	-
13.	Shares of other public companies	50%	-	-
VI. Securities investment fund certificates				
14.	Public funds including public investment companies	10%	-	-
15.	Member funds, separate investment companies	30%	-	-
VII. Securities restricted for trading				
16.	Unlisted securities from listed company late for public audited/reviewed financial statements	30%	-	-
17.	Listed securities under warning	20%	-	-
18.	Listed securities under control	25%	-	-
19.	Temporary non-trading securities	40%	-	-
20.	Securities with delisting or trading cancellation	80%	-	-
VIII. Other assets				
21.	Shares, bonds from un-listed company do not have latest audited financial statements close to reporting date or audited/reviewed financial statements have a qualified, adverse or disclaimer opinion/conclusion	100%	-	-
22.	Shares, capital contribution and other securities	80%	-	-
23.	Other investment assets	80%	-	-
IX. Increased risks (if any)			-	-
TOTAL MARKET RISK (I+II+III+IV+V+VI+VII+VIII+IX)			253,075,615	-

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

5. Settlement risk value

I.	Settlement risk before due date as of 30 June 2022	Risk value (VND'000)						Total risk value (VND'000)
		(1)	(2)	(3)	(4)	(5)	(6)	
	Type of transaction							
	Settlement risk coefficient	0%	0.8%	3.2%	4.8%	6%	8%	
1.	Term deposits, deposit certificates, unsecured loans and receivables from securities services and potential settlement risk items	-	-	-	-	14,486,764	5,201,327	19,688,091
2.	Securities lending/Other arrangements with similar nature	-	-	-	-	-	-	-
3.	Securities borrowings/Other arrangements with similar nature	-	-	-	-	-	-	-
4.	Reverse repurchase agreements/Other arrangements with similar nature	-	-	-	-	-	-	-
5.	Repurchase agreements/Other arrangements with similar nature	-	-	-	-	-	-	-
6.	Margin loans (lending to customers to purchase securities)/ Other arrangements with similar nature	-	-	-	-	-	-	-
	Sub-total	-	-	-	-	14,486,764	5,201,327	19,688,091
II.	Overdue settlement risk as of 30 June 2022							
	Overdue status							
1.	From 0 to 15 days after the due date for payment/transfer of securities					16%	-	-
2.	From 16 to 30 days after the due date for payment/transfer of securities					32%	-	-
3.	From 31 to 60 days after the due date for payment/transfer of securities					48%	-	-
4.	Above 60 days after the due date for payment/transfer of securities					100%	-	-
	Sub-total						-	-

**Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)**

III.	Settlement risk of advances, contracts and other transactions	Risk coefficient (%)	Risk exposure (VND'000)	Risk value (VND'000)
1.	Other contracts, transactions and payments; receivables from debt trading with partners other than Vietnam Asset Management Company and Vietnam Debt and Asset Trading Corporation	100%	-	-
2.	Advances account for above 5% of Company's equity with remaining terms to maturity of less than 90 days	100%	-	-
	Sub-total			
IV.	Other increased risks (if any) as of 30 June 2022			
1.	Term deposits at United Overseas Bank (Vietnam) Limited	30%	5,451,534	1,635,460
2.	Term deposits at MUFG Bank, Ltd., Hanoi Branch	20%	3,317,399	663,480
3.	Term deposits at ANZ Bank (Vietnam) Limited	20%	3,313,416	662,683
4.	Term deposits at HSBC Bank (Vietnam) Limited	10%	2,404,415	240,442
5.	Receivables from Prudential Vietnam Assurance Private Limited	20%	5,112,735	1,022,547
	Sub-total		19,599,499	4,224,612
	TOTAL SETTLEMENT RISK (I+II+III+IV)			23,912,703

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

- (1) Settlement risk value applicable to the Government, issuing organisations guaranteed by the Government or the Ministry of Finance, the State Bank of Vietnam, Governments and Central banks of OECD countries, People's Committees of provinces and cities under Central authority;
- (2) Settlement risk value applicable to the Stock Exchanges, Vietnam Securities Depository and Clearing Corporation;
- (3) Settlement risk value applicable to credit institutions, financial institutions, and securities companies established in the OECD countries;
- (4) Settlement risk value applicable to credit institutions, financial institutions, and securities companies established outside the OECD countries;
- (5) Settlement risk value applicable to credit institutions, financial institutions, and securities companies established and operating in Vietnam; and
- (6) Settlement risk value applicable to other organisations and individuals.

6. Operational risk value

No.	Items	30 June 2022 VND'000
I.	Total operating expenses within 12 months up to 30 June 2022	100,219,004
II.	Deductions from total operating expenses	294,520
1.	Depreciation and amortisation expenses	285,520
2.	Allowance for doubtful debts	9,000
III.	Total operating expenses after deductions (III = I – II)	99,924,484
IV.	25% of total operating expenses after deductions (IV = 25% III)	24,981,121
V.	20% of minimum contributed capital for organisation with securities operation (25% of minimum capital for organisations with derivative securities operations)	5,000,000
TOTAL OPERATIONAL RISK (=Max {IV, V})		24,981,121

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

7. Liquid capital

No.	Items	Liquid capital as of 30 June 2022		
		Liquid capital (VND'000)	Deductions (VND'000)	Additions (VND'000)
A.	Equity			
1.	Share capital, excluding redeemable preference shares (if any)	25,000,000		
2.	Capital surplus, excluding redeemable preference shares (if any)	-		
3.	Treasury shares	-		
4.	Reserve to supplement charter capital (if any)	2,500,000		
5.	Investment and development fund (if any)	-		
6.	Financial and operational risk reserves	2,500,000		
7.	Other equity funds	-		
8.	Retained profits	240,003,010		
9.	Allowance for diminution in value of financial assets	-		
10.	Differences upon fixed assets revaluation	-		
11.	Foreign exchange differences	-		
12.	Convertible debts			-
13.	Deductions or additions relating to investments		-	-
14.	Other equity (if any)	-		
1A.	Sub-total			270,003,010
B.	Current assets			
I.	Cash and cash equivalents			
II.	Short-term investments			
1.	Short-term investments			
	<i>Securities with potential market risks as set out in Article 9.2</i>			
	<i>Securities deducted from the liquid capital as set out in Article 6.5</i>		-	
2.	Allowance for diminution in the value of short-term investments			

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

No.	Items	Liquid capital as of 30 June 2022		
		Liquid capital (VND'000)	Deductions (VND'000)	Additions (VND'000)
III.	Short-term receivables, including receivables from entrusted activity			
1.	Accounts receivable from customers			
	<i>Accounts receivable with remaining terms to maturity of 90 days or less</i>			
	<i>Accounts receivable with remaining terms to maturity of more than 90 days</i>			
2.	Prepayments to suppliers		802,391	
3.	Account receivables from operation activities			
	<i>Accounts receivable from operation activities with remaining terms to maturity of 90 days or less</i>			
	<i>Accounts receivable from operation activities with remaining terms to maturity of more than 90 days</i>			
4.	Intra-company receivables			
	<i>Intra-company receivables with remaining terms to maturity of 90 days or less</i>			
	<i>Intra-company receivables with remaining terms to maturity of more than 90 days</i>			
5.	Accounts receivable from securities trading activities			
	<i>Accounts receivable from securities trading activities with remaining terms to maturity of 90 days or less</i>			
	<i>Accounts receivable from securities trading activities with remaining terms to maturity of more than 90 days</i>			
6.	Other receivables			
	<i>Other receivables with remaining terms to maturity of 90 days or less</i>			
	<i>Other receivables with remaining terms to maturity of more than 90 days</i>			
7.	Allowance for doubtful debts			
IV.	Inventories			
V.	Other current assets			
1.	Short-term prepaid expenses		1,871,803	
2.	Deductible value added tax			
3.	Taxes and other receivables from the State Treasury			
4.	Other current assets			

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

No.	Items	Liquid capital as of 30 June 2022		
		Liquid capital (VND'000)	Deductions (VND'000)	Additions (VND'000)
4.1.	Advances			
	<i>Advances with remaining terms of 90 days or less</i>			
	<i>Advances with remaining terms of more than 90 days</i>		30,000	
4.2.	Other receivables, other current assets		45,000	
1B.	Sub-total			2,749,194
C.	Long-term assets			
I.	Long-term receivables, including receivables from entrusted activity			
1.	Accounts receivable			
	<i>Accounts receivable with remaining terms to maturity of 90 days or less</i>			
	<i>Accounts receivable with remaining terms to maturity of more than 90 days</i>		-	
2.	Allocated capital at dependent units		-	
3.	Long-term intra-company receivables			
	<i>Long-term intra-company receivables with remaining terms to maturity of 90 days or less</i>			
	<i>Long-term intra-company receivables with remaining terms to maturity of more than 90 days</i>		-	
4.	Other long-term receivables			
	<i>Other long-term receivables with remaining terms to maturity of 90 days or less</i>			
	<i>Other long-term receivables with remaining terms to maturity of more than 90 days</i>		-	
5.	Allowance for doubtful debts			
II.	Fixed assets		165,634	
III.	Investment properties		-	
IV.	Long-term investments			
1.	Investments in subsidiaries		-	
2.	Long-term investment securities			
	<i>Securities with market risks as set out in Article 9.2</i>			
	<i>Securities deducted from the liquid capital as set out in Article 6.5</i>		-	
3.	Foreign long-term investments		-	
4.	Other long-term investments		-	
5.	Allowance for diminution in the value of long-term investments			

Eastspring Investments Fund Management Limited Liability Company
Notes to the Financial Safety Ratio Report as of 30 June 2022 (continued)

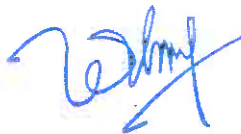
No.	Items	Liquid capital as of 30 June 2022		
		Liquid capital (VND'000)	Deductions (VND'000)	Additions (VND'000)
V.	Other long-term assets			
1	Long-term prepaid expenses		204,997	
2	Deferred tax assets		3,908,219	
3	Long-term deposits		1,181,565	
	Assets being qualified in the audited/reviewed annual financial statements but not yet included in the deductions pursuant to Article 6		-	
1C.	Sub-total			5,460,415
	LIQUID CAPITAL = 1A-1B-1C			261,793,401

9. Approval of the Financial Safety Ratio Report

The Financial Safety Ratio Report was authorised for issue by the Company's Management on 12 August 2022.


12 August 2022

Prepared by:



Ms. Le Minh Thuy
Chief Accountant

Approved by:


Mr. Tran Vu Duy
Head of Internal Control
Department

Mr. Ngo The Trieu
Chief Executive Officer

