



**Eastspring Investments Vietnam  
Navigator Fund**

Financial Statements  
for the year ended 31 December 2018



**Eastspring Investments Vietnam Navigator Fund  
General Information**

**Fund Unit Issuance Certificate**

70/GCN-UBCK dated 4 December 2013

**Establishment Registration  
Certificate**

09/GCN-UBCK dated 25 March 2014

The Establishment Registration Certificate was issued by the State Securities Commission and is valid for indefinite time.

**Fund Representative Board**

Mr. Dinh Ba Thanh	Chairman
Mr. Le Van Be	Member
Mr. Dang The Duc	Member

**Fund Management Company**

Eastspring Investments Fund Management Limited  
Liability Company

**Supervising Bank**

HSBC Bank (Vietnam) Ltd.

**Registered Office**

23<sup>rd</sup> Floor, Saigon Trade Center Building  
37 Ton Duc Thang Street  
Ben Nghe Ward, District 1  
Ho Chi Minh City  
Vietnam

**Auditor**

KPMG Limited  
Vietnam

**Eastspring Investments Vietnam Navigator Fund  
Report of the Fund Management Company**

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

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

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

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

Eastspring Investments Fund Management Limited Liability Company's management confirms that they have complied with the above requirements in preparing the financial statements of the Fund for the year ended 31 December 2018.

On behalf of Eastspring Investments Fund Management Limited Liability Company



Mr. Ngo The Trieu  
Chief Executive Officer

Ho Chi Minh City, 18 March 2019

## Eastspring Investments Vietnam Navigator Fund Report of the Fund Management Company (continued)

### I. Fund's general information

#### 1. Fund's objectives:

Eastspring Investments Vietnam Navigator Fund ("the Fund")'s objective is to deliver capital appreciation through exposure to multiple asset classes. The Fund aims, through dynamic asset allocation, to provide participation in equity upside when stock markets are performing well, while having a softening effect when stock markets are not performing well.

#### 2. Fund's performance:

According to the financial statements of the Fund as at 31 December 2018 and for the year then ended, Net Asset Value ("NAV") of the Fund has decreased by 8.57% as compared with the Fund's NAV as at 31 December 2017.

#### 3. Fund's investment strategy:

The investment strategies of the Fund are "strategic assets allocation" and "Target Assets selection". The Fund will apply the dynamic strategic assets allocation and aims to exploit changes of the macro economy and market dynamics in order to preserve capital and take opportunity to gain potential profits when possible. During the year, the Fund's investment strategy in the Fund's Prospectus and Charter has been changed effective from 26 April 2018. Specifically, the asset allocation of the Fund is as follows:

Assets	Allocation ratios (Before 26 April 2018)	Allocation ratios (From 26 April 2018)
Stocks	from 0% - 80%	from 0% - 100%
Bonds	from 0% - 80%	from 0% - 100%
Cash and monetary	from 0% - 49%	from 0% - 49%

#### 4. Fund Type:

The Fund is a public open-ended investment fund, with indefinite term.

#### 5. Fund Inception Date

The Fund was established under the Establishment Registration Certificate No. 09/GCN-UBCK issued by the State Securities Commission of Vietnam on 25 March 2014.

#### 6. Fund size at the time of the report

As at 31 December 2018:

- Number of outstanding fund units: 7,347,986.78 units
- Value of fund units at par: VND73,479,867,800
- Total Net Asset Value: VND131,624,908,515

**Eastspring Investments Vietnam Navigator Fund  
Report of the Fund Management Company (continued)**

**7. Fund Profit Distribution Policy**

Profits shall be distributed in accordance with the decision of the Fund Management Company and there is no commitment or guarantee that profit distribution shall be conducted. If any profit distribution is conducted, it shall not be construed as a forecast, indication or the fund's ability to distribute profit in the future. Any profit distribution made does not imply that the profit distribution will be made after that. The Fund Management Company may change the distribution frequency and/or adjust the dividend rate to below profit rate of the Fund at its sole discretion.

When profit distribution is declared and conducted, the net assets of the Fund shall decrease correspondingly.

The Fund's profits shall be distributed only when the Fund has fulfilled or is able to fulfil its tax liability and other financial obligations, and provision funds of the Fund have been established. After the distribution of profits, the Fund must also ensure the ability to pay for due liabilities and obligations.

**8. Net profit distributed to Fund Unitholders**

During the year, the Fund did not distribute any profit to Fund Unitholders.

**II. Operational data**

**1. Asset allocation:**

Asset allocation	31/12/2018	31/12/2017	31/12/2016
	(%)	(%)	(%)
Cash and cash equivalents	26.54	10.35	3.02
Investments	72.08	88.58	95.45
Receivables	1.38	1.07	1.53
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

**Eastspring Investments Vietnam Navigator Fund  
Report of the Fund Management Company (continued)**

**2. Operating indices**

<b>Indices</b>	<b>31/12/2018</b>	<b>31/12/2017</b>	<b>31/12/2016</b>
2.1. Net Asset Value (VND)	131,624,908,515	143,963,332,047	94,324,897,681
2.2. Total number of outstanding Fund units (Fund units)	7,347,986.78	7,360,647.49	6,706,616.94
2.3. NAV/Fund unit (VND)	17,913	19,559	14,064
2.4. The highest level of NAV per Fund unit during the year (VND)	22,281	19,559	14,759
2.5. The lowest level of NAV per Fund unit during the year (VND)	17,107	14,176	11,442
2.9. Total growth (%) per Fund Unit (compared to last year)	-8.42%	39.07%	16.64%
2.13. Operating expenses over average NAV ratio (%)	2.31%	2.54%	2.69%
2.14. Portfolio turnover rate (%)	54.40%	61.24%	70.05%

**3. Growth over the periods**

<b>Period</b>	<b>Total growth of NAV/ fund unit</b>	<b>Growth NAV/ unit annually</b>
- 1 year (31/12/2017 – 31/12/2018)	-8.42%	-8.42%
- 3 years (31/12/2015 – 31/12/2018)	48.56%	14.09%
- Since inception (25/03/2014 – 31/12/2018)	79.13%	12.99%
- Growth of the benchmark	No reference index	No reference index

**4. Annual growth rate**

<b>Period</b>	<b>31/12/2018 (%)</b>	<b>31/12/2017 (%)</b>	<b>31/12/2016 (%)</b>	<b>31/12/2015 (%)</b>
Growth rate per fund unit (%)	-8.42	39.07	16.64	13.40

## **Eastspring Investments Vietnam Navigator Fund Report of the Fund Management Company (continued)**

### **III. Market description**

Overall, year 2018 continues to be a successful year of Vietnam's economy. Gross domestic product ("GDP") in 2018 achieved impressive growth of 7.08% over the same period last year, the fastest increase in 11 years. GDP growth this year reached a high level due to the positive growth from two manufacturing and service sectors. The manufacturing and service sectors increased by 13.7% and 7.4% respectively over the same period in 2017.

Foreign direct investment flows into Vietnam continue to maintain well and have boosted the growth of the manufacturing sector. Total foreign investment disbursed and registered in 2018 reached USD19.1 billion and USD25.5 billion. In terms of trade, although growth was lower than last year, it was generally positive, and brought a trade surplus of more than USD7 billion for the whole year of 2018.

Inflation was also recorded at a low level in 2018, averaging only 3.5% in 2018 compared to the average of 2017, below the target level of 4%. The exchange rate is also controlled and maintained relatively stable with the lowest volatility compared to other currencies in the region, on average in 2018 Vietnam Dong only decreased by 2.1% compared to 2017.

Vietnam stock market in 2018 has had many changes. The VN-Index reached a peak of 1,200 points at the beginning of April 2018 which increase by 22% from the beginning of the year, supported by the net buying cash flow of foreign investors and expectations of the company's profit growth. However, after that, the instability factors of the global market, such as the US trade war - China escalated, the US Federal Reserve raised interest rates, the European Central Bank cut the scale of packages economic stimulus, etc. has affected investor sentiment. Vietnam stock market is not out of the general decline of the global market, especially in emerging markets when capital flows into risky assets in these countries are strongly withdrawn. The VN-Index dropped sharply from its peak, to 892.54 points at the end of the year, equivalent 9.3% in 2018. This decline was attributed to the instability of global markets such as just mentioned, rather than due to internal concerns in the Vietnamese economy and the growth prospects of listed companies.

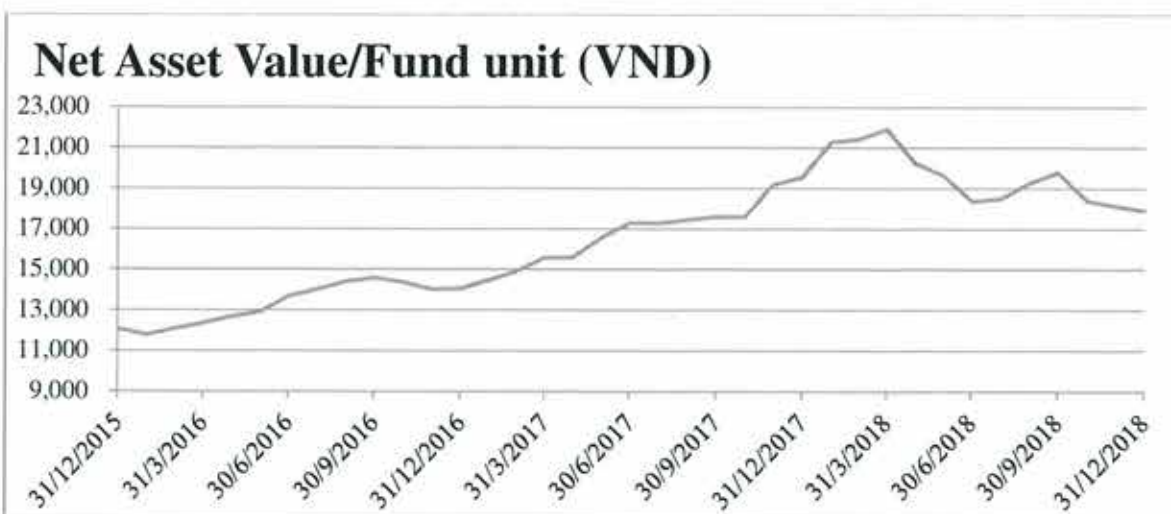
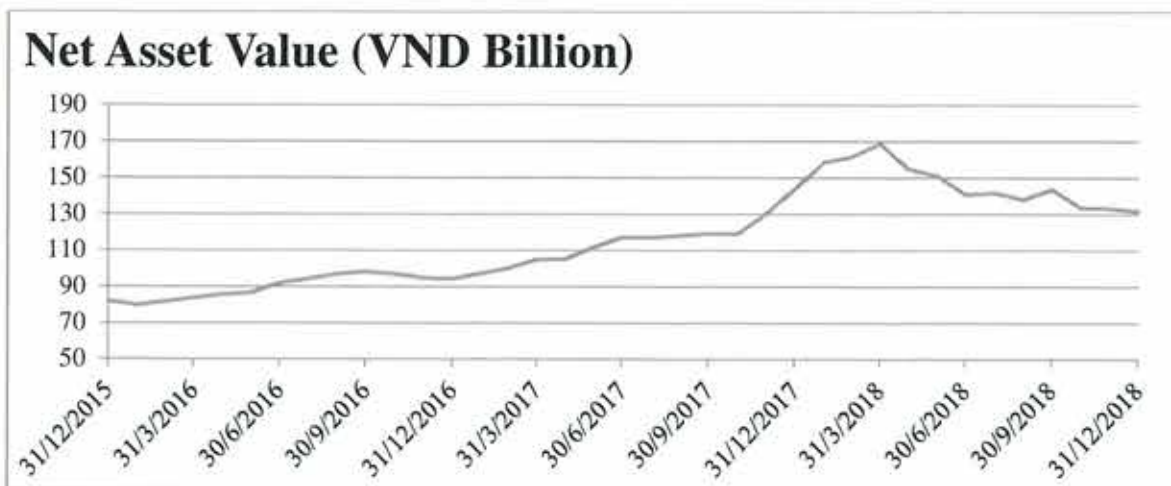
### **IV. Details of the Fund's operational targets**

#### **1. Details of the Fund's activities**

- Growth chart of the Fund in the last 3 years

As compared to the inception date, NAV and NAV/Fund unit as at 31 December 2018 has increased by 147.40% and 79.13% respectively.

**Eastspring Investments Vietnam Navigator Fund  
Report of the Fund Management Company (continued)**



▪ **Change in Net Asset Value**

Item	31/12/2018 VND	31/12/2017 VND	The rate of change %
	[1]	[1]	[3]=([1] - [2])/[2]
NAV	131,624,908,515	143,963,332,047	-8.57
NAV/unit	17,913	19,559	-8.42



**Eastspring Investments Vietnam Navigator Fund  
Report of the Fund Management Company (continued)**

**2. Statistics on investors holding fund certificates at the time of the report**

Units	Number of Investors holding	Number of fund unit hold	Percentage holding
Less than 5,000	168	147,152.30	2.00
From 5,000 to under 10,000	11	73,462.03	1.00
From 10,000 to under 50,000	26	466,453.16	6.35
From 50,000 to under 500,000	4	400,222.50	5.45
From 500,000 and above	2	6,260,696.79	85.20
<b>Total</b>	<b>211</b>	<b>7,347,986.78</b>	<b>100.00</b>

**V. Market outlook**

The economic growth in 2019 is expected to remain positive due to the good macro-economic foundation in 2017 and 2018, despite of the volatile world environment. GDP growth is expected to remain stable while inflation may remain low due to the positive prospect of world commodity prices for inflation.

After the market downturns, the 12-month P/E valuation of the VN-Index at the end of 2018 drop down to 15.6 times, from a peak of 21 times. Along with the prospect of profit growth of listed companies at 10% - 12% in 2019, the Stock market (HOSE) currently has a reasonable valuation at 14 times. In addition, Vietnam's macroeconomic foundation is expected to remain stable in 2019. However, the instability of the global financial market will continue to have certain effects on investors. Therefore, the cautious optimistic view for Vietnam stock market in 2019 is considered appropriate at the present time.

**VI. Other information**

**1. Information about the Fund operating personnel, Fund Representative Board and the Board of Directors of the Fund Management Company**

In the year, the Fund operating personnel, Fund Representative Board and the Board of Directors of the Fund Management Company have the changes as below:

Name	Position	The information change
Nguyen Tuan Thân An	Chief Executive Officer	Terminated since 15 June 2018
Ngo The Trieu	Chief Executive Officer	From 15 June 2018
Tran Thap Kieu Quan	Head of Fixed Income	From 15 June 2018
Le Hoang Vu	Head of Equity	From 15 June 2018

**Eastspring Investments Vietnam Navigator Fund  
Report of the Fund Management Company (continued)**

As at 31 December 2018, the Fund operating personnel, Fund Representative Board and the Board of Directors of the Fund Management Company:

<b>Name</b>	<b>Position</b>	<b>Qualification</b>	<b>The Company/Fund joining year</b>
Dinh Ba Thanh	Chairman – Fund Representative Board	Bachelor of Architecture	2014
Le Van Be	Member – Fund Representative Board	Bachelor of Economics	2014
Dang The Duc	Member – Fund Representative Board	Bachelor of Laws	2014
Ngo The Trieu	Chief Executive Officer cum Chief Investment Officer	Chartered Financial Analyst Master of Business Administration Master of Science in International Project Management	2007
Le Nguyen Binh	Head of Operations and Performance Analytics	Bachelor of Accounting & Auditing	2005
Phan Thi Anh Minh	Head of Marketing & Government Relations	Bachelor of Business Administration Bachelor of Arts, French Linguistics and Literature	2005
Nguyen Thi Hong Cam	Head of Dealing	Master of Applied Finance Bachelor of Business Administration	2007
Tong Cong Cuong	Head of Legal and Compliance	Master of Laws A member of Ho Chi Minh City Bar	2012
Le Minh Thuy	Head of Finance & Risk Management	Bachelor of Banking and Finance Association of Chartered Certified Accountants	2013
Tran Trong Phuong Thao	Head of Human Resource and Admin	Bachelor of Business Administration Bachelor of Arts, English Linguistics and Literature	2005
Tran Thap Kieu Quan	Head of Fixed Income	Bachelor of Finance Master of Business Administration Chartered Financial Analyst	2006
Le Hoang Vu	Head of Equity	Bachelor of Accounting	2008

**Eastspring Investments Vietnam Navigator Fund  
Report of the Fund Management Company (continued)**

**2. Other information**

The data presented in this report is based on the results of the audited financial statements.

In this report, items that are not presented are either not applicable or zero balances.

On behalf of Eastspring Investments Fund Management Limited Liability Company



Mr. Ngo The Trieu  
Chief Executive Officer

Ho Chi Minh City, 18 March 2019

## Eastspring Investments Vietnam Navigator Report of the Supervisory Bank

### REPORT OF THE SUPERVISORY BANK

We, appointed as the Supervisory Bank of Eastspring Investments Vietnam Navigator Fund (“ENF” or “the Fund”) for year ended 31 December 2018, acknowledge that the Fund has been operating and was managed with the following matters:

- a) Eastspring Investments Fund Management Company (“FMC”) has complied with investment restrictions of the Fund in accordance with prevailing regulatory documents about open-ended fund, Fund charter and applicable laws and regulations;
- b) Net Asset Value of the Fund is determined in line with Fund charter, Fund prospectus and applicable laws and regulations;
- c) The subscription and redemption of Fund units according to Fund charter, Fund prospectus and applicable laws and regulations:

According to the requirement of initial minimum subscription transaction stipulated on ENF’s prospectus effective from 01 July 2015: *“Initial subscription minimum transaction is VND 2,000,000. When registering fund unit subscription, the subscription order must meet the requirement of subscription minimum transaction”*. As of 04 May 2018, we identified two (02) cases violating the Fund prospectus relating to initial minimum subscription transaction with the following details:

- On dealing dated 18 December 2015: account EIFMA0000168 made the initial subscription transaction of VND 1,400,000.
- On dealing dated 09 December 2016: account EIFMA0000192 made the initial subscription transaction of VND 1,989,000.

As per our investigation, the incident was caused by overlooking the set-up of the alert signal for initial subscription transactions with value lower than VND 2,000,000 after the new Fund prospectus took effect on 01 July 2015. Until 04 May 2018, these 02 investors have not made any redemption. Two above-mentioned transactions led to the increase of NAV by VND 1,400,000 and VND 1,989,000 respectively, but it did not affect to NAV/per unit. NAV/per unit as of 03 May 2018 was VND 21,485 higher than the one of 18 December 2015 and 09 December 2016 being VND 12,094 and VND 13,605 respectively. No impact on investors’ benefits.

On 04 May 2018, we already notified FMC the violation. At FMC’s own discretion, FMC does not force investors to redeem their fund units because current holding balances are higher than the minimum requirement of 100 fund units as mentioned in ENF’s prospectus.

- d) No matters relate to the profit distribution of the Fund for year ended 31 December 2018; and



**Eastspring Investments Vietnam Navigator  
Report of the Supervisory Bank**

- e) The Fund Management Company has complied with loan restrictions, trading restrictions which are stated in prevailing regulatory documents about open-ended fund, Fund charter and applicable laws and regulations.

Ho Chi Minh City, 18 March 2019

Representative of Supervising Bank – HSBC Securities Services



Thị Thanh Tam  
*Senior Vice President, Head of Service Delivery*

Ms. Le Thi Hoang Chau  
*Supervisory Bank Manager*



**Eastspring Investments Vietnam Navigator Fund  
Report of the Fund Representative Board**

**REPORT OF THE FUND REPRESENTATIVE BOARD**

I, Dinh Ba Thanh, being the Chairman of the Fund Representative Board and on behalf of the Unitholders of Eastspring Investments Vietnam Navigator Fund (“the Fund”), do hereby approve the accompanying financial statements of the Fund for the year ended 31 December 2018, which have been prepared in accordance with Vietnamese Accounting Standards, Circular No. 198/2012/TT-BTC dated 15 November 2012 issued by the Ministry of Finance on the promulgation of accounting system for open-ended investment funds, relevant requirements of Circular No. 183/2011/TT-BTC dated 16 December 2011 issued by the Ministry of Finance (“Circular 183”) on the promulgation of guidance on establishment and management of open-ended funds and of Circular No. 15/2016/TT-BTC dated 20 January 2016 issued by the Ministry of Finance amending and supplementing certain articles of Circular 183 and the relevant statutory requirements applicable to financial reporting.

On behalf of the Fund Representative Board

  
Mr. Dinh Ba Thanh  
Chairman

Ho Chi Minh City, 18 March 2019



KPMG Limited Branch  
10<sup>th</sup> Floor, Sun Wah Tower  
115 Nguyen Hue Street, Ben Nghe Ward  
District 1, Ho Chi Minh City, Vietnam  
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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Fund's Unitholders Eastspring Investments Vietnam Navigator Fund**

We have audited the accompanying financial statements of Eastspring Investments Vietnam Navigator Fund ("the Fund"), which comprise the statements of financial position and investment portfolio as of 31 December 2018 and the statements of income, changes in Net Asset Value and Fund units and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Fund Representative Board on 18 March 2019, as set out on pages 16 to 60.

### **The Fund Management Company's Responsibility**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese 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 of 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 the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund Management Company'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 Fund Management Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management of the Fund Management Company, 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.




## Auditor's Opinion


In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of Eastspring Investments Vietnam Navigator Fund as at 31 December 2018 and of its results of operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Circular No. 198/2012/TT-BTC dated 15 November 2012 issued by the Ministry of Finance on the promulgation of accounting system for open-ended funds, relevant requirements of Circular No. 183/2011/TT-BTC dated 16 December 2011 issued by the Ministry of Finance ("Circular 183") on the promulgation of guidance on establishment and management of open-ended funds and of Circular No. 15/2016/TT-BTC dated 20 January 2016 issued by the Ministry of Finance amending and supplementing certain articles of Circular 183 and the relevant statutory requirements applicable to financial reporting.

### KPMG Limited's Branch in Ho Chi Minh City

Vietnam  
Audit Report No.: 18-01-00266-19-1



  
Tran Dinh Vinh  
Practicing Auditor Registration  
Certificate No.0339-2018-007-1  
Deputy General Director

  
Nguyen Ho Khanh Tan  
Practicing Auditor Registration  
Certificate No.3458-2015-007-1

Ho Chi Minh City, 18 March 2019



**Eastspring Investments Vietnam Navigator Fund**  
**Statement of income for the year ended 31 December 2018**

**Form B01 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)*

No	Items	Code	Note	2018 VND	2017 VND
<b>I</b>	<b>INCOME, REVENUE FROM INVESTMENT ACTIVITIES</b>	<b>01</b>		<b>(9,312,506,166)</b>	<b>40,238,574,022</b>
1.1	Dividend income	02		2,468,055,268	2,062,025,600
1.2	Interest income	03		2,075,726,516	2,156,551,812
1.3	Gains from trading securities	04	13	7,811,644,591	13,299,358,965
1.4	Unrealised (losses)/gains from revaluation of investments	05	14	(21,667,932,541)	22,720,637,645
<b>II</b>	<b>INVESTMENT EXPENSES</b>	<b>10</b>		<b>227,073,559</b>	<b>172,452,231</b>
2.1	Transaction fees from buying, selling securities	11	15	227,073,559	172,452,231
<b>III</b>	<b>OPERATING EXPENSES</b>	<b>20</b>		<b>3,155,160,239</b>	<b>2,724,079,866</b>
3.1	Management fees	20.1	19	2,201,298,977	1,705,894,068
3.2	Custody fees	20.2	19	126,285,336	109,487,795
3.3	Supervising fees	20.3	19	32,285,717	25,019,781
3.4	Fund administration fees	20.4	19	56,500,003	43,784,617
3.5	Transfer agency fees	20.5	19	206,253,835	184,308,627
3.7	Annual general meeting and other meeting expenses	20.7		(49,813,188)	83,996,000
3.8	Audit fees	20.8		386,738,019	386,715,978
3.10	Other operating expenses	20.10	16	195,611,540	184,873,000
<b>IV</b>	<b>INVESTMENT AND OPERATING RESULTS (23 = 01 - 10 - 20)</b>	<b>23</b>		<b>(12,694,739,964)</b>	<b>37,342,041,925</b>
<b>VI</b>	<b>(LOSS)/PROFIT BEFORE TAX (30 = 23)</b>	<b>30</b>		<b>(12,694,739,964)</b>	<b>37,342,041,925</b>
6.1	Realised profit	31		8,973,192,577	14,621,404,280
6.2	Unrealised (loss)/profit	32		(21,667,932,541)	22,720,637,645
<b>VIII</b>	<b>NET (LOSS)/PROFIT AFTER TAX FOR THE YEAR (41 = 30)</b>	<b>41</b>		<b>(12,694,739,964)</b>	<b>37,342,041,925</b>

18 March 2019

Eastspring Investments Fund Management Limited Liability Company

Prepared by:



Ms. Le Thi Thuy Phuong

Manager, Operations and Performance Analytics

Approved by:



Mr. Ngo The Trieu

Chief Executive Officer

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

**Eastspring Investments Vietnam Navigator Fund**  
**Statement of financial position as at 31 December 2018**

**Form B02 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)*

No	Items	Code	Note	31/12/2018 VND	31/12/2017 VND
<b>I</b>	<b>ASSETS</b>				
<b>1</b>	<b>Cash in banks and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>35,356,442,305</b>	<b>14,983,240,624</b>
1.1	Cash in banks for operating activities of the Fund	111		2,781,925,049	10,878,675,402
1.2	Term deposits with term to maturity not exceeding three months	112		32,574,517,256	4,104,565,222
<b>2</b>	<b>Investments</b>	<b>120</b>		<b>96,038,368,738</b>	<b>128,239,912,900</b>
2.1	Investments	121	5	96,038,368,738	128,239,912,900
<b>3</b>	<b>Receivables</b>	<b>130</b>		<b>1,840,420,080</b>	<b>1,550,539,064</b>
3.1	Receivables from disposals of investments	131	6	1,267,822,409	375,902,735
3.2	Interest and dividend receivables	133	7	572,597,671	1,174,636,329
	<b>TOTAL ASSETS</b> (100 = 110 + 120 + 130)	<b>100</b>		<b>133,235,231,123</b>	<b>144,773,692,588</b>
<b>II</b>	<b>LIABILITIES</b>				
2	Payables for purchase of investments	312	8	910,824,190	-
3	Subscription fee payable to Distribution Agents	313		1,260,000	34,343,000
4	Taxes payable to State Treasury	314		253,316	7,479
6	Accrued expenses	316	9	379,191,021	440,666,812
8	Payables to Fund Unitholders for Fund Units redemption	318		116,674,492	124,144,876
9	Fund's service fees payable	319	10	202,119,589	211,198,374
	<b>TOTAL LIABILITIES</b> (300 = 312+ 313 + 314 + 316 + 318 + 319)	<b>300</b>		<b>1,610,322,608</b>	<b>810,360,541</b>

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

**Eastspring Investments Vietnam Navigator Fund**  
**Statement of financial position as at 31 December 2018 (continued)**

**Form B02 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)*

No	Items	Code	Note	31/12/2018 VND	31/12/2017 VND
<b>III</b>	<b>NET ASSET VALUE DISTRIBUTABLE TO FUND UNITHOLDERS (400 = 100 - 300)</b>	<b>400</b>		<b>131,624,908,515</b>	<b>143,963,332,047</b>
<b>1</b>	<b>Capital issued to Unitholders</b>	<b>411</b>	<b>11</b>	<b>73,479,867,800</b>	<b>73,606,474,900</b>
1.1	Subscription capital	412		101,696,924,400	92,122,874,800
1.2	Redemption capital	413		(28,217,056,600)	(18,516,399,900)
<b>2</b>	<b>Capital premium</b>	<b>414</b>	<b>11</b>	<b>6,218,107,378</b>	<b>5,735,183,846</b>
<b>3</b>	<b>Retained earnings</b>	<b>420</b>	<b>12</b>	<b>51,926,933,337</b>	<b>64,621,673,301</b>
<b>IV</b>	<b>NET ASSET VALUE PER FUND UNIT (430 = 400/004)</b>	<b>430</b>		<b>17,913</b>	<b>19,559</b>
<b>VI</b>	<b>OFF BALANCE SHEET ITEMS</b>			<b>31/12/2018 Unit</b>	<b>31/12/2017 Unit</b>
1	Number of outstanding Fund units	004	18	7,347,986.78	7,360,647.49

18 March 2019

Eastspring Investments Fund Management Limited Liability Company

Prepared by:

Approved by:




Ms. Le Thi Thuy Phuong  
*Manager, Operations and Performance Analytics*

Mr. Ngo The Trieu  
*Chief Executive Officer*

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

**Eastspring Investments Vietnam Navigator Fund**  
**Statement of changes in Net Asset Value and Fund units for the year ended**  
**31 December 2018**

**Form B03 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

No.	Items	2018 VND	2017 VND
<b>I</b>	<b>Net Asset Value (“NAV”) at the beginning of the year</b>	<b>143,963,332,047</b>	<b>94,324,897,681</b>
<b>II</b>	<b>Changes of NAV during the year</b>	<b>(12,694,739,964)</b>	<b>37,342,041,925</b>
	<i>In which:</i>		
II.1	Changes of NAV due to market fluctuation and investment activities of the Fund during the year	(12,694,739,964)	37,342,041,925
<b>III</b>	<b>Changes of NAV due to redemption and subscription of Fund units</b>	<b>356,316,432</b>	<b>12,296,392,441</b>
	<i>In which:</i>		
III.1	Fund units subscription	19,484,192,698	12,898,512,500
III.2	Fund units redemption	(19,127,876,266)	(602,120,059)
<b>IV</b>	<b>Net Asset Value at the end of the year</b> <b>(IV = I + II + III)</b>	<b>131,624,908,515</b>	<b>143,963,332,047</b>

18 March 2019

Eastspring Investments Fund Management Limited Liability Company

Prepared by:



Ms. Le Thi Thuy Phuong  
*Manager, Operations and Performance Analytics*

Approved by:



Mr. Ngo The Trieu  
*Chief Executive Officer*

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

**Eastspring Investments Vietnam Navigator Fund**  
**Statement of investment portfolio as at 31 December 2018**

**Form B04 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

No.	Items	No. of shares	Market price or fair value per share as at 31/12/2018 VND/share	Total value as at 31/12/2018 VND	% of the Fund's total assets
<b>I</b>	<b>Listed shares</b>			<b>73,520,459,950</b>	<b>55.17%</b>
	ACB	90,447	29,600	2,677,231,200	2.01%
	BSR	75,000	13,600	1,020,000,000	0.77%
	CTG	400	19,300	7,720,000	0.01%
	FPT	405,684	42,200	17,119,864,800	12.85%
	HCM	660	46,850	30,921,000	0.02%
	ITC	394,450	12,000	4,733,400,000	3.55%
	LHG	281,570	18,550	5,223,123,500	3.92%
	MBB	704,207	19,450	13,696,826,150	10.28%
	MSN	32,630	77,500	2,528,825,000	1.90%
	MWG	63,000	87,000	5,481,000,000	4.11%
	NT2	4	24,600	98,400	0.00%
	PCI	2	24,800	49,600	0.00%
	PNJ	63,230	93,200	5,893,036,000	4.42%
	POW	430,000	16,000	6,880,000,000	5.16%
	REE	181,000	30,800	5,574,800,000	4.18%
	SSI	9,880	26,650	263,302,000	0.20%
	TYA	223,389	10,700	2,390,262,300	1.79%

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

**Eastspring Investments Vietnam Navigator Fund**  
**Statement of investment portfolio as at 31 December 2018 (continued)**

**Form B04 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

No.	Items	Total value as at 31/12/2018 VND	% the Fund's total assets
<b>IV</b>	<b>Other investments</b>	<b>22,517,908,788</b>	<b>16.90%</b>
	Term deposits with term to maturity of more than 12 months at Joint Stock Commercial Bank for Investment and Development of Vietnam	14,000,000,000	10.51%
	Term deposits with term to maturity of less than 12 months at Vietnam Prosperity Commercial Joint Stock Bank	8,517,908,788	6.39%
<b>V</b>	<b>Other assets</b>	<b>1,840,420,080</b>	<b>1.39%</b>
	Receivables from disposals of investments	1,267,822,409	0.96%
	Interest and dividend receivables	572,597,671	0.43%
<b>VI</b>	<b>Cash in banks</b>	<b>35,356,442,305</b>	<b>26.54%</b>
	Cash in banks for operating activities of the Fund	2,781,925,049	2.09%
	Term deposits with term to maturity not exceeding three months	32,574,517,256	24.45%
<b>VII</b>	<b>Total investment portfolio</b>	<b>133,235,231,123</b>	<b>100%</b>

18 March 2019

Eastspring Investments Fund Management Limited Liability Company

Prepared by:

Approved by:



Ms. Le Thi Thuy Phuong  
Manager, Operations and Performance Analytics



Mr. Ngo The Trieu  
Chief Executive Officer

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

**Eastspring Investments Vietnam Navigator Fund**  
**Statement of cash flows for the year ended 31 December 2018 (Indirect method)**

**Form B05 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

No	Items	Code	2018 VND	2017 VND
<b>I</b>	<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>			
1	(Loss)/profit before tax for the year	01	(12,694,739,964)	37,342,041,925
3	<b>Adjustments for changes in working capital</b>	05		
	Decrease/(increase) in investments	06a	32,201,544,162	(37,609,565,900)
	Increase in receivables from disposals of investments	06b	(891,919,674)	(375,902,735)
	Decrease in interest and dividend receivables	07	602,038,658	278,638,507
	Increase in payables for purchase of investments	10	910,824,190	-
	(Decrease)/increase in payables to distribution agents	11	(33,083,000)	33,855,233
	Increase/(decrease) in taxes payable to State Treasury	13	245,837	(810,293)
	(Decrease)/increase in payables to Fund Unitholders for Fund units redemption	15	(7,470,384)	7,470,384
	(Decrease)/increase in accrued expenses	16	(61,475,791)	76,391,788
	(Decrease)/increase in Fund's service fees payable	17	(9,078,785)	66,358,590
	<b>Net cash flows from investment activities</b>	<b>20</b>	<b>20,016,885,249</b>	<b>(181,522,501)</b>
<b>II</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1	Proceeds from Fund units subscription	31	19,484,192,698	12,898,512,500
2	Payments for Fund units redemption	32	(19,127,876,266)	(602,120,059)
	<b>Net cash flows from financing activities</b>	<b>30</b>	<b>356,316,432</b>	<b>12,296,392,441</b>
<b>III</b>	<b>NET CASH FLOWS DURING THE YEAR</b> (40 = 20 + 30)	<b>40</b>	<b>20,373,201,681</b>	<b>12,114,869,940</b>

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

**Eastspring Investments Vietnam Navigator Fund**  
**Statement of cash flows for the year ended 31 December 2018**  
**(Indirect method) (continued)**

**Form B05 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance)*

No	Items	Code	2018 VND	2017 VND
<b>IV</b>	<b>Cash and cash equivalents at the beginning of the year</b>	<b>50</b>	<b>14,983,240,624</b>	<b>2,868,370,684</b>
	- Cash in banks for operating activities of the Fund	51	10,878,675,402	2,868,370,684
	- Term deposits with term to maturity not exceeding three months	52	4,104,565,222	-
<b>V</b>	<b>Cash and cash equivalents at the end of the year</b>	<b>55</b>	<b>35,356,442,305</b>	<b>14,983,240,624</b>
	- Cash in banks for operating activities of the Fund	57	2,781,925,049	10,878,675,402
	- Term deposits with term to maturity not exceeding three months	57	32,574,517,256	4,104,565,222
<b>VI</b>	<b>Net change in cash and cash equivalents during the year (60 = 55 - 50)</b>	<b>60</b>	<b>20,373,201,681</b>	<b>12,114,869,940</b>

18 March 2019

Eastspring Investments Fund Management Limited Liability Company

Prepared by:



Ms. Le Thi Thuy Phuong  
*Manager, Operations and Performance Analytics*

Approved by:



Mr. Ngo The Trieu  
*Chief Executive Officer*

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



**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018**

**Form B06 – QM**

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

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

## **1. Reporting entity**

Eastspring Investments Vietnam Navigator Fund (“the Fund”) was established as a public open-ended fund under Establishment Registration Certificate No. 09/GCN-UBCK issued by the State Securities Commission of Vietnam on 25 March 2014.

According to this Establishment Registration Certificate, the Fund’s charter capital is VND53,203,406,730, equivalent to 5,320,340.67 fund units and there is no limit in operating years. The Fund operates in accordance with the Fund Charter issued on 26 September 2013 and its amendments on 15 April 2016 and 26 April 2018.

The primary objective of the Fund is to deliver capital appreciation through exposure to multiple asset classes. The Fund aims, through dynamic asset allocation, to provide participation in equity upside when stock markets are performing well, while having a softening effect when stock markets are not performing well. The Fund Management Company conducts investment activities of the Fund via investment channels regulated by current legislation requirements. In addition, the Fund’s objectives can be completely changed following decisions made by the Fund Unitholders’ General Meeting to comply with current statutory requirements and reporting to the State Securities Commission.

The investment portfolio of the Fund must ensure that:

- a. Except for the Fund’s current accounts at the Supervising Bank, the Fund does not invest more than forty nine percent (49%) of the Fund’s total assets in deposit at commercial banks stipulated by prevailing Laws, foreign currencies, money market instruments including valuable papers and transferable instruments following prevailing legislation;
- b. The Fund does not invest more than thirty percent (30%) of the Fund’s total assets in deposit at commercial banks stipulated by prevailing Laws; foreign currencies, money market instruments including valuable papers, transferable instruments following prevailing legislation; listed shares, registered shares for trading; listed bonds by the issuers that are established and operating in accordance with Vietnamese laws; shares and bonds prepared to be listed or registered for trading by issuers that are established and operating in accordance with Vietnamese laws, corporate bonds issued by listed organisations who are guaranteed by credit institutions or commitment to repurchase by issuers if these assets are issued by the same company or by a group of companies that have crossed ownership relationships;
- c. The Fund does not invest more than twenty percent (20%) of the Fund’s total assets in outstanding securities of a single issuer, including valuable papers, transferable instruments, bonds (except for government bonds), shares with voting rights, preference shares without voting right and convertible bonds;
- d. The Fund does not invest in more than ten percent (10%) of the total value of outstanding securities of an issuer, except for government bonds;

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**

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

- e. The Fund does not invest more than ten percent (10%) of the Fund's total assets in shares, bonds to be listed or registered for trading by issuers that are established and operating in accordance with Vietnam laws, corporate bonds issued by listed organisations who are guaranteed by credit institutions or commitment to repurchase by issuers;
- f. Total value of large investments in the investment portfolio of the Fund must not exceed forty percent (40%) of the Fund's total assets;
- g. At any time, total commitment value of borrowings and paybles of the Fund must not exceed Net Asset Value of the Fund;
- h. The Fund is not allowed to invest in securities investment funds, shares of securities investment companies established and operating in Vietnam;
- i. The Fund is not allowed to invest directly in real estates, valuable stones, valuable metals; and
- j. Investment portfolio must contain securities of at least six (06) issuers.

Except as stated in above points g, h, i, the Fund's investment structure is allowed to deviate only for the following reasons:

- a. Fluctuations in the market value of the assets in the Fund's investment portfolio;
- b. Making payments of the Fund legally;
- c. Execution of Unitholders' orders;
- d. Consolidation, merging, acquisition of issuing organisations;
- e. New fund licensed for establishment or fund split, consolidation, merging with operating duration not exceeding six (06) months, from the date of the Fund's Establishment Registration Certificate; or
- f. Fund is in liquidation process.

The Fund is re-valued on weekly and monthly basis. The valuation date is Friday for weekly valuation and the first business date of the next month for monthly valuation. Net Asset Value is determined on the revaluation date for the periodic trading or the periodic report in compliance with prevailing regulations or for other purpose. In case the valuation date for weekly revaluation falls into holiday, the determining Net Asset Value of the Fund will not be performed for that periodic valuation. The Fund trades Fund units once (01) a week on Friday. In case the trading date falls into holiday, the Fund will not trade Fund units in that week.

The Fund has no employees and is managed by Eastspring Investments Fund Management Limited Liability Company, an investment management company incorporated in Vietnam. The Fund is supervised by HSBC Bank (Vietnam) Ltd.

Contact address of the Fund is 23<sup>rd</sup> Floor, Sai Gon Trade Center, 37 Ton Duc Thang Street, Ben Nghe Ward, District 1, Ho Chi Minh City.

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

**2. Basis of preparation**

**(a) Statement of compliance**

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

The accompanying financial statements have not been prepared to present the financial position and the operating results in accordance with accounting principles and practices generally accepted in other countries and other jurisdictions outside Vietnam. The accounting principles and practices applicable in Vietnam may be different from those in other countries and other jurisdictions.

In accordance with Circular No. 198/2012/TT-BTC dated 15 November 2012 issued by the Ministry of Finance on the promulgation of accounting system for open-ended investment funds, the Fund’s financial statements include the following reports:

▪ Statement of income:	Form B01 - QM;
▪ Statement of financial position:	Form B02 - QM;
▪ Statement of changes in Net Asset Value and Fund units:	Form B03 - QM;
▪ Statement of investment portfolio:	Form B04 - QM;
▪ Statement of cash flows:	Form B05 - QM; and
▪ Notes to the financial statements:	Form B06 - QM.

**(b) Basis of measurement**

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

**(c) Annual accounting period**

The annual accounting period of the Fund is from 1 January to 31 December.

**(d) Accounting and presentation currency**

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

**(e) Accounting documentation system**

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

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

**3. Summary of significant accounting policies**

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

**(a) Foreign currency transactions**

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate at the end of the annual accounting period quoted by the commercial bank where the Fund most frequently conducts transactions. Transactions in currencies other than VND during the year have been translated into VND at rates approximating actual rates of exchanges ruling at the transaction dates.

All foreign exchange differences are recorded as expenses or income in the statement of income.

**(b) Cash in banks and cash equivalents**

Cash in banks and cash equivalents comprise current accounts and term deposits with original term to maturity not exceeding three (03) months from their transaction dates. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash, and are subject to an insignificant risk of changes in value.

**(c) Investments**

***Trading securities***

Trading securities are initially stated at cost, which comprises the purchase price only and exclusive of attributable transaction costs such as broker fees, transaction fees and bank charges, and are revalued at the reporting date based on revaluation described in 3(c)(iii). Unrealised gain or loss from revaluation of trading securities are recorded in the statement of income.

***Term deposits***

Term deposits at banks are stated at cost less allowance for doubtful debts.

**(i) Classification**

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

Term deposits at banks that the Fund has the intention and ability to hold until maturity are classified as held-to-maturity investments.

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

**(ii) Recognition**

The Fund recognises investments at the transaction date.

**(iii) Measurement**

According to Circular No. 183/2011/TT-BTC dated 16 December 2011 issued by the Ministry of Finance (“Circular 183”) on the promulgation of guidance on establishment and management of open-ended funds and Circular No. 15/2016/TT-BTC dated 20 January 2016 issued by the Ministry of Finance amending and supplementing certain articles of Circular 183, the investment securities in investment portfolio of the Fund are revalued using market price at the reporting date. If there is no market price at the latest trading date until the reporting date or the market prices fluctuate significantly, the Fund Management Company is allowed to use fair value to revalue the Fund’s investments. Fair value is estimated based on methodologies or valuation models as stipulated in the Fund Charter, or the Fund’s Pricing Policy. Investments are revalued at the reporting date as follows:

**Bonds**

- Listed bonds
  - Market value is quoted price on the trading system at the Stock Exchange for common transactions (outright) of the most recent trading date plus cumulative interests up to the date prior to the valuation date.
  - Because Vietnam bond market is not well-established, trading activity is infrequent, small trading volume and pricing information is not current or varied significantly over time or between market participants. Therefore, for any reason, if it is unable to obtain the outright price on the Stock Exchange for more than fourteen (14) days to the valuation date, market value is the bid price determined and provided by reputable, independent financial data vendors such as: Interactive Data Corporation, Markit, Reuters or Bloomberg.
  - Interactive Data Corporation will be the primary service provider for providing evaluated price. If Interactive Data Corporation is unable to provide bond evaluation of such listed bond, it may be considered to use the bond evaluation of Markit, or Reuters or then Bloomberg by order or apply other valuation methodologies as mentioned hereafter, subjected to Internal Valuation Committee’s approval and provided the last stale price is exceeding a period of ninety (90) days.

## **Eastspring Investments Vietnam Navigator Fund**

### **Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**

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

- In case the current market quotations are not available, a newly purchase listed bonds will be priced at cost and the price is kept stale until the outright price or the evaluated price provided by the primary pricing vendor is available. This stale price should be monitored and used in accordance with the stale price policy. The market value of other existing listed bonds is the following values in order of precedence:
  - Available latest price (old price) used in the previous valuation is kept stale until the outright price or the evaluated price provided by the primary pricing vendor is available. This stale price should be monitored and used in accordance with the stale price policy;
  - Fair value using the appropriate valuation technique that is approved by Internal Valuation Committee or the Fund Representative Board;
  - Par value plus accumulated accrued interest;
  - Purchase price plus accumulated accrued interest.
- Unlisted bonds include those bonds that are not actively traded through recognised exchanges or thinly traded such as: high yield bonds, thinly traded corporate bonds, private debt.
  - Market value is the most recent evaluated price (“bid-price basis”) provided by a reputable, independent pricing vendors such as Interactive Data Corporation, Markit or Reuters or Bloomberg.
  - Interactive Data Corporation will be the primary service provider for providing evaluated price. If Interactive Data Corporation is unable to provide bond evaluation of such listed bond, it may be considered to use the bond evaluation of Markit, or Reuters or then Bloomberg by order or apply other valuation methodologies as mentioned hereafter, subjected to Internal Valuation Committee’s approval and provided the last stale price is exceeding a period of ninety (90) days.
  - In case the current market quotation are not available, as newly purchase of unlisted bonds will be priced at cost and the price is kept stale until the evaluated price provided by the primary pricing vendor is available. This stale price should be monitored and used in accordance with the Stale price policy. The market value of other existing unlisted bonds is the following values in order of precedence:
    - Available latest price (old price) used in the previous valuation. This stale price should be monitored and used in accordance with the Stale price policy;
    - The fair value using the appropriate valuation technique that is approved by Internal Valuation Committee or the Fund Representative Board;
    - Par value plus accumulated accrued interest ;
    - Price purchase plus accumulated accrued interest.

#### ***Shares***

- Shares which are listed on the Ho Chi Minh City Stock Exchange or the Hanoi Stock Exchange and shares of public companies to be registered for trading on the Upcom system.

## **Eastspring Investments Vietnam Navigator Fund**

### **Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**

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

- Market value is the closing price of most recent trading date prior to the valuation date.
- In case the current market quotations are not available, the market value of the listed shares shall be determined in the order of the following precedence:
  - Available latest price (old price) used in the previous valuation. This stale price should be monitored and used in accordance with the Stale price policy;
  - Fair value using the appropriate valuation technique that is approved by Internal Valuation Committee or the Fund Representative Board;
  - The book value which is determined on the most recent audited financial statements;
  - Purchase price.
- Shares which are registered and custodied but not to be listed and registered for trading; unlisted shares.
  - The Fund Management Company has the right to appoint five (05) independent securities companies that are not affiliated to the Fund Management Company and the Supervising Bank to provide quotes for each valuation.
  - The list of designated securities companies are as below, however the Fund Management Company has the right to change from time to time upon approval of Fund Representative Board:
    - Priority list No. 1: included three (03) securities companies.
    - Priority list No. 2: included two (02) securities companies.
  - Market value is average price (average price of transaction occurred in the period) provided by three (03) securities companies and met following criteria:
    - The quotes are the trading price at the securities companies at the most recent trading date prior to the valuation date; or
    - The quotes are the bid price at the securities companies at the most recent date prior to the valuation date; and
    - The quotes are not older than ninety (90) days from the valuation date.
  - In case the Fund Management Company receives valid quotes from all the securities companies, the Fund Management Company shall in priority use the quotes provided by the three (03) securities companies in the priority list No. 1.
  - In case the Fund Management Company receives no more than two (02) valid quotes from the priority list No.1, for the third quote it shall use the lower quote received from the securities companies in the priority list No. 2.

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**

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

- In other cases whereby it is unable to obtain valid quotes from at least three (03) securities companies on a particular valuation date for a particular unlisted shares, such unlisted share shall be valued by other appropriate valuation as approved by the Fund Representative Board or the Internal Valuation Committee.
  
- Shares of organisations in the process of liquidation or bankruptcy.  
Market value is the following values in order of precedence:
  - 80% of the liquidation value at the latest available balance sheet date prior to the valuation date; or
  
  - Value determined in accordance with the methodology approved by the Fund Representative Board or the Internal Valuation Committee.
  
- Shares and other contributed capital.  
The equity value shall be determined in priority as follows:
  - Contributed capital value; or
  
  - The book value which is determined on the most recent audited financial statements; or
  
  - Value is determined in accordance with the methodology approved by the Fund Representative Board or Internal Valuation Committee.

***Derivatives***

Market price of derivatives shall be the closing price of the most recent trading day prior to the valuation date. If it is unable to obtain appropriate tradable market price at the valuation date, the price shall be based on the valuation provided by a reputable, independent security pricing vendor such as Interactive Data Corporation (primary source) or Markit or Reuters or Bloomberg.

In case the market quotations are not available, the value is determined by any appropriate valuation as approved by the Fund Representative Board or Internal Valuation Committee.

***Other investments***

Value is determined in accordance with methodology mentioned in the Funding Pricing policy and approved by the Fund Representative Board and Internal Valuation Committee.

**(iv) *Derecognition***

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

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



**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

**(d) Receivables**

Receivables include receivables from disposals of investments, accrued interest and dividend receivables. These receivables are stated at cost less allowance for doubtful debts.

**(e) Payables**

Payables include payables for purchasing investments, payables to investors, payables for Fund administration services and other payables. Payables are stated at their cost.

**(f) Provisions**

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

**(g) Classification of financial instruments**

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

**(i) Financial assets**

*Financial assets at fair value through profit or loss*

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

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

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

*Held-to-maturity investments*

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

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

*Loans and receivables*

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

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

*Available-for-sale financial assets*

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

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

**(ii) Financial liabilities**

*Financial liabilities at fair value through profit or loss*

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

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

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**

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

- Upon initial recognition, it is designated by the Fund Management Company as at fair value through profit or loss. Financial liabilities carried at amortised cost

*Financial liabilities at amortised cost.*

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

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

**(h) Taxation**

Under current tax regulations in Vietnam, the Fund is not subject to corporate income tax. However, the Fund Management Company is responsible for withholding tax of individuals and organisations in the following transactions:

***Distributing dividends to Unitholders***

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

***Fund units redemption transactions***

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

**(i) Capital issued to Unitholders and capital premium**

***Capital issued to Unitholders***

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

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

***Subscription capital***

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

Subscription capital is recorded at par value of Fund unit.

***Redemption capital***

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

Redemption capital is recorded at par value of Fund unit.

***Capital premium***

Capital premium represents the difference between Net Asset Value per fund unit and par value of Fund unit in a subscription/redemption transaction.

**(j) Retained earnings**

Retained earnings represent undistributed retained profits at the reporting date, including realised and unrealised profits.

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

Unrealised profits/(losses) are the total gains/(losses) from revaluation of investments in the Fund's statement of investment portfolio incurred during the year.

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

***Profits/assets distributed to Fund Unitholders***

Profits/assets distributed to Fund Unitholders represent profits/assets which was distributed to Unitholders during the year.

The Fund records profits/assets distributed to Fund Unitholders based on the Resolution of the General Meeting of Fund Unitholders, in accordance with Fund's Charter and prevailing securities laws.

**(k) Fund units and Net Asset Value distributable to Unitholders**

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

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**

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

The Fund issues and redeems Fund units at announced trading date based on the Net Asset Value per Fund unit. Net Asset Value per Fund unit is calculated by dividing the Net Asset Value of the Fund by the number of outstanding Fund units at the date before transaction date.

All Fund units issued to Unitholders have the same rights in regard to voting right, dividends, redemption of capital and others. Each issued fund unit carries one vote at annual general meetings of the Fund and is entitled to receive dividend as declared by the Fund from time to time.

Net Asset Value distributable to the Fund Unitholders also reflects the retained earnings, capital issued to Unitholders and capital premium. In which, capital issued to Unitholders includes subscription capital and redemption capital. Capital premium represents the difference between actual receipts/payments from subscription/redemption of Fund units based on Net Asset per Fund unit and the par value per Fund Unit. Retained earnings of the Fund include realised profits and unrealised profits.

The Fund can only distribute profits to Fund Unitholders by using realised retained profits deducting the unrealised accumulated losses as of distribution date. Profit is distributed in accordance with prevailing securities laws applicable to open-ended funds, Fund's Charter, Prospectus of the Fund and the Resolution of the General Meeting of Fund Unitholders.

**(l) Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be measured reliably.

**(i) Interest income and dividend income**

Interest income is recognised in the statement of income on accrual basis unless collectability is in doubt.

Dividend income is recognised when the right to receive payment of dividend is established. Share dividend is not recognised as income.

**(ii) Income from trading securities**

Income from trading securities is recognised in the statement of income upon receipt of the Notice of trading transactions from the Vietnam Securities Depository (for listed securities) which are verified by the Custodian Bank and completion of the agreement on transfer of assets (for unlisted securities).

**(m) Expenses**

Expenses are recognised in the statement of income when incurred.

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

**(n) Net Asset Value per Fund unit**

Net Asset Value per Fund unit is calculated by dividing the Net Asset Value of the Fund by the number of outstanding Fund unit at the reporting date. Net Asset Value is determined as total assets less total liabilities.

**(o) Segment reporting**

The Fund operates as one segment as investment in Vietnam.

**(p) Related parties**

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

Other investment funds under the management of the Fund Management Company and related parties of the Fund Management Company are considered related parties to the Fund in accordance with Law on Securities.

**(q) Nil balances**

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

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

**4. Cash in banks and cash equivalents**

Cash in banks and cash equivalents represent cash in Vietnam Dong deposited at the following banks at the reporting date:

	<b>31/12/2018</b>	<b>31/12/2017</b>
	<b>VND</b>	<b>VND</b>
<b>Current account for operating activities of the Fund</b>		
▪ HSBC Bank (Vietnam) Ltd.	2,781,925,049	10,878,675,402
<b>Term deposits with term to maturity not exceeding three months</b>		
▪ Vietnam Prosperity Commercial Joint Stock Bank	4,500,000,000	4,104,565,222
▪ Asia Commercial Joint Stock Bank	28,074,517,256	-
	<hr/>	<hr/>
	32,574,517,256	4,104,565,222
	<hr/>	<hr/>
Cash and cash equivalents in the statement of cash flows	35,356,442,305	14,983,240,624

As at 31 December 2018, term deposits at banks with original term to maturity not exceeding three months earn average annual interest rate at 6.0% (31/12/2017: 4.9% ). In the event of withdrawal before the maturity, these term deposits earn interest at rates in accordance with the banks' policy applied for withdrawal before maturity.

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

**5. Investments**

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

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

Details of investments as at 31 December 2018 and 2017 were as follows:

<b>As at 31 December 2018</b>	<b>Cost VND [1]</b>	<b>Market value VND [2]</b>	<b>Unrealised gains during the year VND [3]</b>	<b>Revaluation value VND [4] = [1] + [3]</b>
Listed shares	66,449,005,539	73,520,459,950	7,071,454,411	73,520,459,950
Term deposits at Joint Stock Commercial Bank for Investment and Development of Vietnam with term to maturity of more than 12 months	14,000,000,000	14,000,000,000	-	14,000,000,000
Term deposits at Vietnam Prosperity Joint Stock Bank with term to maturity of more than 3 months to 12 months	8,517,908,788	8,517,908,788	-	8,517,908,788
	88,966,914,327	96,038,368,738	7,071,454,411	96,038,368,738



**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

	Cost VND [1]	Market value VND [2]	Unrealised gains during the year VND [3]	Revaluation value VND [4] = [1] + [3]
<b>As at 31 December 2017</b>				
Listed shares	74,747,125,948	103,486,512,900	28,739,386,952	103,486,512,900
Term deposits at Asia Commercial Joint Stock Bank with term to maturity of:				
- more than 12 months	16,500,000,000	16,500,000,000	-	16,500,000,000
- from more than 3 months to 12 months	4,000,000,000	4,000,000,000	-	4,000,000,000
Term deposits at Vietnam Prosperity Joint Stock Bank with term to maturity of more than 3 months to 12 months	4,253,400,000	4,253,400,000	-	4,253,400,000
	99,500,525,948	128,239,912,900	28,739,386,952	128,239,912,900

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

**6. Receivables from disposals of investments**

	<b>31/12/2018</b>	<b>31/12/2017</b>
	<b>VND</b>	<b>VND</b>
Receivables from disposal of listed shares	1,267,822,409	375,902,735

Receivables from disposals of investments represent proceeds from disposals of listed shares which are received after two working days from the trade date (T+2) according to the prevailing securities trading practice in Vietnam.

**7. Interest and dividend receivables**

	<b>31/12/2018</b>	<b>31/12/2017</b>
	<b>VND</b>	<b>VND</b>
Accrued dividend receivables	50,587,600	45,932,000
Accrued interest receivables	522,010,071	1,128,704,329
	572,597,671	1,174,636,329

**8. Payables for purchase of investments**

	<b>31/12/2018</b>	<b>31/12/2017</b>
	<b>VND</b>	<b>VND</b>
Payables for purchase of investments	910,824,190	-

Payables for purchase of investments represent payments for purchase of listed shares which are paid after two working days from the trade date (T+2) according to the prevailing securities trading practice in Vietnam.

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

**9. Accrued expenses**

	<b>31/12/2018</b>	<b>31/12/2017</b>
	<b>VND</b>	<b>VND</b>
Audit fees	319,275,019	319,275,000
Remunerations payable to the Fund Representative Board	45,000,002	45,000,002
Meeting expenses	14,916,000	76,391,810
	<hr/>	<hr/>
	379,191,021	440,666,812
	<hr/> <hr/>	<hr/> <hr/>

**10. Fund's service fees payable**

	<b>31/12/2018</b>	<b>31/12/2017</b>
	<b>VND</b>	<b>VND</b>
Fund management fees	170,814,714	177,079,370
Custody fees	8,182,589	9,333,175
Fund administration fees	4,384,244	4,545,039
Transfer agency fees	16,232,759	17,643,626
Supervising fees	2,505,283	2,597,164
	<hr/>	<hr/>
	202,119,589	211,198,374
	<hr/> <hr/>	<hr/> <hr/>

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**

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

**11. Capital issued to Unitholders**

According to the Establishment Registration Certificate No. 09/GCN-UBCK dated 25 March 2014, the Fund Charter Capital is VND53,203,406,730 equivalent to 5,320,340.67 Fund units at par value of VND10,000 per Fund unit. As the Fund operates as an open-ended fund, the capital issued to Unitholders and the number of Fund units changed after every transaction.

Movements in capital issued to Unitholders for the year ended 31 December 2018 were as follows:

	Unit	As at 31/12/2017 VND	Movements during the year VND	As at 31/12/2018 VND
<b>Subscription capital</b>				
Quantity (1)	Unit	9,212,287.48	957,404.96	10,169,692.44
Average NAV (2) = (5) / (1)	VND	10,708	20,351	11,616
Par value (3)	VND	92,122,874,800	9,574,049,600	101,696,924,400
Capital premium (4)	VND	6,522,116,169	9,910,143,098	16,432,259,267
Value of subscription capital (5) = (3) + (4)	VND	98,644,990,969	19,484,192,698	118,129,183,667
<b>Redemption capital</b>				
Quantity (6)	Unit	(1,851,639.99)	(970,065.67)	(2,821,705.66)
Average NAV (7) = (10) / (6)	VND	10,425	19,718	13,620
Par value (8)	VND	(18,516,399,900)	(9,700,656,700)	(28,217,056,600)
Capital premium (9)	VND	(786,932,323)	(9,427,219,566)	(10,214,151,889)
Value of redemption capital (10) = (8) + (9)	VND	(19,303,332,223)	(19,127,876,266)	(38,431,208,489)
<b>Number of outstanding Fund units (11) = (1) + (6)</b>				
	Unit	7,360,647.49	(12,660.71)	7,347,986.78
<b>Total value of outstanding capital (12) = (5) + (10)</b>				
	VND	79,341,658,746	356,316,432	79,697,975,178
<b>NAV/Fund unit (13)</b>				
	VND	19,559	(1,645)	17,913

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

**12. Retained earnings**

	<b>2018 VND</b>	<b>2017 VND</b>
Retained earnings at the beginning of the year	64,621,673,301	27,279,631,376
Net (loss)/profit for the year	(12,694,739,964)	37,342,041,925
<i>In which</i>		
▪ <i>Undistributed realised profit</i>	8,973,192,577	14,621,404,280
▪ <i>Unrealised (loss)/profit</i>	(21,667,932,541)	22,720,637,645
Retained earnings at the end of the year	<u>51,926,933,337</u>	<u>64,621,673,301</u>

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

**13. Gains from trading securities**

**2018**

<b>Investment portfolio</b>	<b>Proceeds VND [1]</b>	<b>Average cost VND [2]</b>	<b>Gains on securities trading for the year ended 31/12/2018 VND [3] = [1] – [2]</b>	<b>Accumulated gains on securities trading at the beginning of the year VND [4]</b>	<b>Accumulated gains on securities trading up to 31/12/2018 VND [5] = [3] + [4]</b>
Listed shares	87,766,925,830	79,955,281,239	7,811,644,591	26,399,674,158	34,211,318,749
Listed bonds	-	-	-	2,749,539,383	2,749,539,383
	87,766,925,830	79,955,281,239	7,811,644,591	29,149,213,541	36,960,858,132

**2017**

<b>Investment portfolio</b>	<b>Proceeds VND [1]</b>	<b>Average cost VND [2]</b>	<b>Gains on securities trading for the year ended 31/12/2017 VND [3] = [1] – [2]</b>	<b>Accumulated gains/(losses) on securities trading at the beginning of the year VND [4]</b>	<b>Accumulated gains on securities trading up to 31/12/2017 VND [5] = [3] + [4]</b>
Listed shares	50,699,738,210	40,520,901,601	10,178,836,609	16,220,837,549	26,399,674,158
Listed bonds	30,639,970,000	27,519,447,644	3,120,522,356	(370,982,973)	2,749,539,383
	81,339,708,210	68,040,349,245	13,299,358,965	15,849,854,576	29,149,213,541

Eastspring Investments Vietnam Navigator Fund  
Notes to the financial statements for the year ended 31 December 2018 (continued)

Form B06 – QM  
(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)

14. Unrealised (losses)/gains from revaluation of investments

2018

Investment portfolio	Cost VND [1]	Market value at 31/12/2017 VND [2]	Unrealised gains on revaluation at 31/12/2018 VND [3] = [2] – [1]	Unrealised gains on revaluation at 31/12/2017 VND [4]	Net unrealised gains/(losses) on revaluation recognised for the year 2018 VND [5] = [3] – [4]
Listed shares	66,449,005,539	73,520,459,950	7,071,454,411	28,739,386,952	(21,667,932,541)

2017

Investment portfolio	Cost VND [1]	Market value at 31/12/2017 VND [2]	Unrealised gains on revaluation at 31/12/2017 VND [3] = [2] – [1]	Unrealised gains on revaluation at 31/12/2016 VND [4]	Net unrealised gains/(losses) on revaluation recognised for the year 2017 VND [5] = [3] – [4]
Listed shares	74,747,125,948	103,486,512,900	28,739,386,952	3,746,758,751	24,992,628,201
Listed bonds	-	-	-	2,271,990,556	(2,271,990,556)
	74,747,125,948	103,486,512,900	28,739,386,952	6,018,749,307	22,720,637,645

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

**15. Transaction fees from buying, selling securities**

	<b>2018</b> <b>VND</b>	<b>2017</b> <b>VND</b>
Transaction fees from buying securities (a)	91,715,519	89,104,779
Transaction fees from selling securities (b)	135,358,040	83,347,452
	<hr/> 227,073,559	<hr/> 172,452,231

**(a) Transaction fees from buying securities**

	<b>2018</b> <b>VND</b>	<b>2017</b> <b>VND</b>
Listed shares	91,715,519	89,104,779

**(b) Transaction fees from selling securities**

	<b>2018</b> <b>VND</b>	<b>2017</b> <b>VND</b>
Listed shares	135,358,040	76,890,485
Listed bonds	-	6,456,967
	<hr/> 135,358,040	<hr/> 83,347,452

**16. Other operating expenses**

	<b>2018</b> <b>VND</b>	<b>2017</b> <b>VND</b>
Fund Representative Board's remunerations	180,000,000	180,000,000
Bank charges	5,611,540	4,873,000
Other expenses	10,000,000	-
	<hr/> 195,611,540	<hr/> 184,873,000



**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

**17. Net Asset Value**

No.	NAV period	Net Asset Value (NAV) VND [1]	For the year ended 31/12/2018		Increase/ (decrease) in NAV per Fund unit VND/unit
			Number of Fund units Units [2]	NAV per Fund unit VND/unit [3] = [1]/[2]	
1	4-Jan-18	147,738,811,548	7,360,647.49	20,071	-
2	11-Jan-18	150,053,890,245	7,364,621.37	20,375	304
3	18-Jan-18	150,163,116,665	7,373,996.42	20,364	(11)
4	25-Jan-18	156,692,511,765	7,459,346.41	21,006	642
5	31-Jan-18	158,586,790,742	7,451,255.33	21,283	277
6	1-Feb-18	157,153,763,128	7,451,255.33	21,091	(192)
7	8-Feb-18	151,720,525,419	7,495,217.47	20,242	(849)
8	22-Feb-18	156,951,821,614	7,509,529.59	20,900	658
9	28-Feb-18	161,267,165,703	7,527,656.67	21,423	523
10	1-Mar-18	164,766,663,993	7,527,656.67	21,888	465
11	8-Mar-18	164,047,664,295	7,559,334.44	21,701	(187)
12	15-Mar-18	165,712,474,600	7,581,916.55	21,856	155
13	22-Mar-18	167,911,443,924	7,650,228.66	21,949	93
14	29-Mar-18	166,743,215,905	7,664,945.85	21,754	(195)
15	31-Mar-18	168,655,395,097	7,699,226.67	21,905	151
16	5-Apr-18	171,545,926,420	7,699,226.67	22,281	376
17	12-Apr-18	170,283,132,836	7,689,574.49	22,145	(136)
18	19-Apr-18	162,682,527,556	7,742,347.64	21,012	(1,133)
19	26-Apr-18	150,690,377,573	7,602,991.21	19,820	(1,192)
20	30-Apr-18	154,841,299,216	7,653,796.95	20,231	411
21	3-May-18	154,492,908,577	7,653,796.95	20,185	(46)
22	10-May-18	153,267,857,471	7,647,702.59	20,041	(144)
23	17-May-18	156,729,464,423	7,667,810.72	20,440	399
24	24-May-18	153,586,608,476	7,716,899.26	19,903	(537)
25	31-May-18	151,067,605,904	7,700,603.32	19,618	(285)
26	7-Jun-18	156,162,533,705	7,686,702.98	20,316	698
27	14-Jun-18	151,840,367,882	7,661,826.19	19,818	(498)
28	21-Jun-18	144,899,672,821	7,659,807.81	18,917	(901)
29	28-Jun-18	141,708,714,016	7,668,819.36	18,479	(438)
30	30-Jun-18	140,759,835,514	7,668,819.36	18,355	(124)
31	5-Jul-18	131,656,428,199	7,668,819.36	17,168	(1,187)
32	12-Jul-18	131,041,487,222	7,660,107.19	17,107	(61)
33	19-Jul-18	140,327,970,931	7,658,198.59	18,324	1,217
34	26-Jul-18	138,600,304,988	7,662,007.24	18,089	(235)
35	31-Jul-18	141,751,482,798	7,662,007.24	18,501	412
36	2-Aug-18	141,648,476,957	7,662,007.24	18,487	(14)
37	9-Aug-18	143,462,497,750	7,662,007.24	18,724	237
38	16-Aug-18	144,503,097,484	7,654,757.83	18,878	154
39	23-Aug-18	146,084,538,368	7,654,827.51	19,084	206
40	30-Aug-18	138,154,773,902	7,133,969.58	19,366	282

**Eastspring Investments Vietnam Navigator Fund**

**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**

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

No.	NAV period	Net Asset Value (NAV) VND [1]	For the year ended 31/12/2018		Increase/ (decrease) in NAV per Fund unit VND/unit
			Number of Fund units Units [2]	NAV per Fund unit VND/unit [3] = [1]/[2]	
41	31-Aug-18	137,871,209,563	7,157,674.44	19,262	(104)
42	6-Sep-18	134,457,037,457	7,157,674.44	18,785	(477)
43	13-Sep-18	138,106,269,899	7,228,293.31	19,106	321
44	20-Sep-18	141,244,103,242	7,227,994.57	19,541	435
45	27-Sep-18	143,490,862,621	7,253,505.03	19,782	241
46	30-Sep-18	143,578,725,389	7,254,419.75	19,792	10
47	4-Oct-18	143,679,130,224	7,254,419.75	19,806	14
48	11-Oct-18	135,606,030,783	7,254,549.49	18,693	(1,113)
49	18-Oct-18	136,599,731,084	7,270,820.11	18,787	94
50	25-Oct-18	131,475,967,380	7,270,940.55	18,082	(705)
51	31-Oct-18	133,611,098,852	7,266,825.30	18,386	304
52	1-Nov-18	132,340,911,315	7,266,825.30	18,212	(174)
53	8-Nov-18	132,732,830,192	7,267,372.74	18,264	52
54	15-Nov-18	131,296,208,707	7,338,446.64	17,892	(373)
55	22-Nov-18	133,844,357,681	7,338,446.64	18,239	347
56	29-Nov-18	132,737,175,261	7,338,446.64	18,088	(151)
57	30-Nov-18	133,109,271,612	7,339,273.43	18,137	49
58	6-Dec-18	136,418,318,454	7,339,273.43	18,587	450
59	13-Dec-18	136,559,476,052	7,355,365.32	18,566	(21)
60	20-Dec-18	133,086,958,551	7,355,365.32	18,094	(472)
61	27-Dec-18	131,819,903,422	7,346,875.43	17,942	(152)
62	31-Dec-18	131,624,908,515	7,347,986.78	17,913	(29)
Average NAV during the year		146,536,219,869			
The highest level of NAV per Fund unit during the year				22,281	
The lowest level of NAV per Fund unit during the year				17,107	

**Eastspring Investments Vietnam Navigator Fund**

**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**

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

No.	NAV period	Net Asset Value (NAV) VND [1]	For the year ended 31/12/2017		Increase/ (decrease) in NAV per Fund unit VND/unit
			Number of Fund units Units [2]	NAV per Fund unit VND/unit [3] = [1]/[2]	
1	5-Jan-17	95,509,616,057	6,706,616.94	14,241	-
2	12-Jan-17	95,483,687,465	6,709,417.30	14,231	(10)
3	19-Jan-17	95,114,224,284	6,709,417.30	14,176	(55)
4	31-Jan-17	97,148,245,371	6,709,417.30	14,479	303
5	2-Feb-17	97,645,793,829	6,709,417.30	14,554	75
6	9-Feb-17	98,081,212,487	6,709,417.30	14,618	64
7	16-Feb-17	98,996,786,352	6,723,058.01	14,725	107
8	23-Feb-17	100,414,262,771	6,723,058.01	14,936	211
9	28-Feb-17	99,993,846,413	6,723,058.01	14,873	(63)
10	2-Mar-17	99,814,122,349	6,723,058.01	14,847	(26)
11	9-Mar-17	101,962,033,936	6,723,744.06	15,164	317
12	16-Mar-17	102,943,696,473	6,723,875.55	15,310	146
13	23-Mar-17	104,200,435,057	6,723,715.39	15,497	187
14	30-Mar-17	104,912,975,024	6,737,226.69	15,572	75
15	31-Mar-17	104,873,959,274	6,736,427.94	15,568	(4)
16	6-Apr-17	104,792,611,288	6,736,427.94	15,556	(12)
17	13-Apr-17	104,104,912,425	6,737,942.61	15,451	(105)
18	20-Apr-17	103,109,754,269	6,737,942.61	15,303	(148)
19	27-Apr-17	104,481,425,298	6,737,942.61	15,506	203
20	30-Apr-17	105,045,668,560	6,740,134.92	15,585	79
21	4-May-17	106,525,804,145	6,740,134.92	15,805	220
22	11-May-17	108,145,598,728	6,740,134.92	16,045	240
23	18-May-17	108,765,271,479	6,741,248.76	16,134	89
24	25-May-17	112,483,381,653	6,741,248.76	16,686	552
25	31-May-17	111,767,665,962	6,743,581.27	16,574	(112)
26	1-Jun-17	112,231,252,450	6,743,581.27	16,643	69
27	8-Jun-17	113,733,854,563	6,741,378.42	16,871	228
28	15-Jun-17	114,635,854,211	6,741,378.42	17,005	134
29	22-Jun-17	116,917,971,976	6,764,947.59	17,283	278
30	29-Jun-17	116,877,854,061	6,764,947.59	17,277	(6)
31	30-Jun-17	117,008,700,019	6,764,802.34	17,297	20
32	6-Jul-17	117,471,442,936	6,764,802.34	17,365	68
33	13-Jul-17	117,069,655,235	6,764,802.34	17,306	(59)
34	20-Jul-17	114,467,788,466	6,766,218.03	16,918	(388)
35	27-Jul-17	115,903,407,514	6,767,194.06	17,127	209
36	31-Jul-17	116,979,671,392	6,767,194.06	17,286	159
37	3-Aug-17	118,096,719,562	6,767,194.06	17,451	165
38	10-Aug-17	117,335,499,383	6,767,251.19	17,339	(112)
39	17-Aug-17	116,279,521,701	6,764,126.21	17,191	(148)
40	24-Aug-17	117,075,314,528	6,764,416.18	17,308	117
41	31-Aug-17	118,048,273,916	6,764,416.18	17,451	143
42	7-Sep-17	117,588,508,488	6,766,701.43	17,378	(73)
43	14-Sep-17	118,082,336,335	6,766,758.80	17,450	72

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

No.	NAV period	Net Asset Value (NAV) VND [1]	For the year ended 31/12/2017		Increase/ (decrease) in NAV per Fund unit VND/unit
			Number of Fund units Units [2]	NAV per Fund unit VND/unit [3] = [1]/[2]	
44	21-Sep-17	118,774,016,573	6,766,758.80	17,553	103
45	28-Sep-17	118,589,077,474	6,767,326.79	17,524	(29)
46	30-Sep-17	119,129,989,876	6,768,464.65	17,601	77
47	5-Oct-17	118,761,379,246	6,768,464.65	17,546	(55)
48	12-Oct-17	120,134,318,420	6,758,467.21	17,775	229
49	19-Oct-17	119,927,573,050	6,759,140.29	17,743	(32)
50	26-Oct-17	118,453,666,120	6,761,378.35	17,519	(224)
51	31-Oct-17	119,048,287,436	6,764,734.70	17,598	79
52	2-Nov-17	117,949,125,787	6,764,734.70	17,436	(162)
53	9-Nov-17	120,888,850,384	6,764,734.70	17,870	434
54	16-Nov-17	124,404,846,947	6,765,292.61	18,389	519
55	23-Nov-17	126,735,121,916	6,781,286.68	18,689	300
56	30-Nov-17	130,114,682,219	6,784,633.30	19,178	489
57	5-Dec-17	129,808,542,072	6,784,633.30	19,133	(45)
58	7-Dec-17	130,193,975,536	6,813,943.68	19,107	(26)
59	14-Dec-17	138,731,200,516	7,341,012.12	18,898	(209)
60	21-Dec-17	141,499,657,868	7,346,815.37	19,260	362
61	28-Dec-17	143,252,974,702	7,359,239.04	19,466	206
62	31-Dec-17	143,963,332,047	7,360,647.49	19,559	93
Average NAV during the year		113,910,987,675			
The highest level of NAV per Fund unit during the year				19,559	
The lowest level of NAV per Fund unit during the year				14,176	

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

**18. Number of outstanding Fund units**

	<b>31/12/2018</b>	<b>31/12/2017</b>
	<b>Fund unit</b>	<b>Fund unit</b>
Number of outstanding Fund units within 1 year	832,794.59	686,278.39
Number of outstanding Fund units over 1 year	6,515,192.19	6,674,369.10
	<hr/>	<hr/>
	7,347,986.78	7,360,647.49
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**19. Related parties and key contracts**

**(a) Related parties**

*Transactions with Eastspring Investments Fund Management Limited Liability Company, the Fund Management Company*

	<b>2018</b>	<b>2017</b>
	<b>VND</b>	<b>VND</b>
Management fees	2,201,298,977	1,705,894,068
	<hr/>	<hr/>

In accordance with the Fund Charter, the Fund Management Company is entitled to receive annual management fee of 1.5% calculated based on the Fund's NAV (2017: 1.5% per annum). Any changes in the management fee rate must be approved at the Annual General Meeting to ensure total management fee and other fees paid by the Fund to the Fund Management Company are in compliance with legal requirements. Fees are calculated for each valuation cycle based on NAV at the date before the valuation date.

*Transactions with Fund Representative Board*

	<b>2018</b>	<b>2017</b>
	<b>VND</b>	<b>VND</b>
Fund Representative Board's remunerations	180,000,000	180,000,000
	<hr/>	<hr/>

Other than remunerations in accordance with the Fund Charter, there are no contracts to which the Fund and any member of the Fund Representative Board is a party where a member of the Fund Representative Board has a material interest. Remunerations to members of the Fund Representative Board are recognised as expenses of the Fund in the statement of income.

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

**Percentage of Fund units held by related parties**

<b>Related parties</b>	<b>Relationship</b>	<b>31/12/2018</b>	<b>31/12/2017</b>
Eastspring Investments (Hong Kong) Limited	Member of Eastspring Investments Group	71.5937%	71.4706%
Dinh Ba Thanh	Chairman of Fund Representative Board	13.6092%	13.5858%
Phan Ngoc Lan	Relative of Predecessor Chief Executive Officer of Fund Management Company	0.0000%	2.2439%
Trieu Thi Ngoc Tham	Relative of Chief Executive Officer of Fund Management Company	0.2722%	0.2717%
Le Nguyen Binh	Employee of Fund Management Company	0.1361%	0.1359%
Phan Thi Anh Minh	Employee of Fund Management Company	0.1089%	0.1087%
Tran Thi Hue	Relative of Employee of Fund Management Company	0.0680%	0.0679%
Tran Thap Kieu Quan	Employee of Fund Management Company	0.0613%	N/A
Tran Trong Phuong Thao	Employee of Fund Management Company	0.0136%	0.0136%
Dang Thi Thanh Trang	Employee of Fund Management Company	N/A	0.0136%
Le Minh Thuy	Employee of Fund Management Company	0.0136%	0.0136%
Nguyen Thi Hong Cam	Employee of Fund Management Company	0.0020%	N/A
Tong Cong Cuong	Employee of Fund Management Company	0.0014%	0.0014%
		85.8799%	87.9267%

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

**(b) Key contracts**

*HSBC Bank (Vietnam) Ltd. - Supervising Bank*

	<b>2018</b>	<b>2017</b>
	<b>VND</b>	<b>VND</b>
Custody fees	126,285,336	109,487,795
Supervising fees	32,285,717	25,019,781
Fund administration fees	56,500,003	43,784,617
Transfer agency fees	206,253,835	184,308,627
	421,324,891	362,600,820

The Fund has appointed HSBC Bank (Vietnam) Ltd. (“HSBC”) to be the Custodian Bank and Supervising Bank of the Fund. HSBC was authorised by the Fund Management Company to provide fund administration service and transfer agency service. In accordance with the Fund Charter, the Fund has to pay custody and supervising fees, fund administration fees and transfer agency fees to the respective service providers on a monthly basis. Fees are calculated on each valuation period based on NAV at the date before valuation date. The monthly fees are total fee calculated for valuation periods within the month which are not less than minimum fees but do not exceed the maximum fees frame as follows:

- Supervising fees: 0.02% annual NAV.
- Custody fees: 0.06% annual NAV.
- Securities clearing transaction fees: VND150,000 per transaction.
- Custody fees paid to Vietnam Securities Depository (“VSD”): monthly fee according to the fee schedule of VSD collected by HSBC on behalf of VSD.
- Fund administration fees: 0.035% annual NAV.
- Transfer agency fees include two groups of fee as follows:
  - Group of fee calculated based on NAV or transaction value include:
    - Annual Fund Unitholders maintenance fees: 0.05% annual NAV.
    - Registration fees for new purchase, acquisition, conversion, transfer: 0.03% of transaction value of new purchase, acquisition, conversion, transfer.
  - Group of fee calculated based on actual amount incurred include:
    - Data setup fees include VND15,000 per Fund Unitholder and VND1,000,000 per distribution agent.
    - Other fees such as bulk mails delivery fees, distribution service fees, fees for calculation of distributors commission and trailer fees.

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

**20. Indices**

	<b>2018</b>	<b>2017</b>
	<b>VND</b>	<b>VND</b>
<b>I Investment performance</b>		
<i>Expense ratio</i>		
1 Management fees/Average NAV during the year (%)	1.50%	1.50%
2 Custody and supervising fees/Average NAV during the year (%)	0.11%	0.12%
3 (Fund administration fees, transfer agency fees and other expenses)/Average NAV during the year (%)	0.18%	0.20%
4 Audit fees/Average NAV during the year (%)	0.26%	0.34%
5 Remunerations to Fund Representative Board/Average NAV during the year (%)	0.12%	0.16%
6 Operating expenses/Average NAV during the year (%)	2.31%	2.54%
<i>Turnover ratio</i>		
7 Turnover ratio of investment portfolio during the year = (Total value of purchase transactions + total value of sales transactions)/2/Average NAV during the year (%)	54.40%	61.24%
<b>II Others</b>		
<b>1 Fund size at the beginning of the year (calculated at par value of Fund unit)</b>		
Total number of outstanding Fund units at the beginning of the year	7,360,647.49	6,706,616.94
Total value of outstanding Fund units at the beginning of the year	73,606,474,900	67,066,169,400
<b>2 Change in Fund size during the year (calculated at par value of Fund units)</b>		
Number of Fund units subscribed during the year	957,404.96	689,306.84
Value of capital subscribed during the year (at par value)	9,574,049,600	6,893,068,400
Number of Fund units redeemed during the year	(970,065.67)	(35,276.29)
Value of capital redeemed during the year in respond to Fund Unitholders' command (at par value)	(9,700,656,700)	(352,762,900)
<b>3 Fund size at the end of the year (calculated at par value of Fund units)</b>		
Total number of outstanding Fund units at the end of the year	7,347,986.78	7,360,647.49
Total value of outstanding Fund units at the end of the year	73,479,867,800	73,606,474,900



**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

	<b>2018</b>	<b>2017</b>
	<b>VND</b>	<b>VND</b>
<b>4 Proportion of Fund units held by the Fund Management Company and related parties at the end of the year (%)</b>	<b>85.8799%</b>	<b>87.9267%</b>
<b>5 Proportion of Fund units held by ten largest Unitholders at the end of the year (%)</b>	<b>92.53%</b>	<b>96.91%</b>
<b>6 Proportion of Fund units held by foreign Unitholders at the end of the year (%)</b>	<b>71.63%</b>	<b>78.56%</b>
<b>7 Number of Fund Unitholders at the end of the year</b>	<b>211</b>	<b>158</b>
<b>8 NAV/Fund unit at the end of the year</b>	<b>17,913</b>	<b>19,559</b>

## **21. Financial risk management**

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

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

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

The Fund's investment portfolio comprises listed shares. The Management of the Fund Management Company has been given a discretionary authority to manage the Fund's assets in line with the Fund's investment objectives. The Fund's portfolio is monitored closely to ensure that it complies with asset allocation required by regulations and the Fund Charter.

### **(a) Credit risk**

Credit risk is the risk of financial loss to the Fund if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Fund's cash in banks and accounts receivables.

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

The Fund's listed shares will only be traded on or subject to the rules of the Ho Chi Minh City Stock Exchange, the Hanoi Stock Exchange and the Unlisted Public Company Market or with counterparties which have a specified credit rating. All transactions in listed securities are settled or paid via VSD and for upon delivery using approved brokers. The risk of default is considered minimal.

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

Receivables includes interest receivables from banks deposits, dividends and receivables from disposals of investments. The Fund Management Company believes that no allowance for doubtful debts was considered necessary for these receivables as at 31 December 2018 and 31 December 2017.

The maximum exposure to credit risk faced by the Fund is equal to the carrying amounts of cash in banks and cash equivalents and receivables.

**(b) Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets.

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

The Fund's financial assets as at 31 December 2018 and 31 December 2017 included listed securities. The Fund's investments in listed securities are considered to be readily realisable as they are traded on the Ho Chi Minh City Stock Exchange, the Hanoi Stock Exchange and the Unlisted Public Company Market. As a result, the Fund may be able to liquid some of its investments in due time in order to meet its liquidity requirements.

As at 31 December 2018 and 2017, the contractual maturities of non-derivative financial liabilities were as follows:

	<b>Carrying amount VND</b>	<b>Undiscounted contractual cash flows VND</b>	<b>Within 1 year VND</b>
<b>As at 31 December 2018</b>			
Payables for purchase of investments	910,824,190	910,824,190	910,824,190
Subscription fee payables to Distribution Agents	1,260,000	1,260,000	1,260,000
Accrued expenses	379,191,021	379,191,021	379,191,021
Payables to Fund Unitholders for Fund units redemption	116,674,492	116,674,492	116,674,492
Fund's service fees payable	202,119,589	202,119,589	202,119,589
	1,610,069,292	1,610,069,292	1,610,069,292

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

	<b>Carrying amount VND</b>	<b>Undiscounted contractual cash flows VND</b>	<b>Within 1 year VND</b>
<b>As at 31 December 2017</b>			
Subscription fee payables to Distribution Agents	34,343,000	34,343,000	34,343,000
Accrued expenses	440,666,812	440,666,812	440,666,812
Payables to Fund Unitholders for Fund units redemption	124,144,876	124,144,876	124,144,876
Fund's service fees payable	211,198,374	211,198,374	211,198,374
	810,353,062	810,353,062	810,353,062

**(c) Market risk**

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

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Fund's financial instruments will fluctuate as a result of changes in market interest rates. The Fund's exposure to market risk due to change in interest rates is minimal since the Fund only holds cash in banks and term deposits with fixed interest rate.

**(ii) Currency risk**

Currency risk is the risk that the value of the Fund's financial instruments will be affected by changes in exchange rates. The Fund is not exposed to currency risk as the Fund's assets and liabilities are denominated in Vietnam Dong, which is the Fund's accounting currency.

**(iii) Market price risk**

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

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

As at 31 December 2018, the market value of the Fund's listed shares is VND73,520,459,950 (31/12/2017: VND103,486,512,900). For the year ended 31 December 2018, the difference between the highest and lowest monthly VN-Index was approximately 32% (for the year ended 31 December 2017: 41%). Had the market prices of these securities declined or increased by 32% as at 31 December 2018 with all other variables remaining constant, the Fund's Net Asset Value would have decreased or increased by VND23,526,547,184 (31/12/2017: VND42,429,470,289), respectively.

**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC*  
*dated 15 November 2012 of the Ministry of Finance)*

**(d) Fair values**

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

**(i) Fair value versus carrying value**

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

	As at 31/12/2018		As at 31/12/2017	
	Carrying value VND	Fair value VND	Carrying value VND	Fair value VND
<b>Financial assets</b>				
<i>Categorised as financial assets at fair value through profit or loss</i>				
▪ Listed securities	73,520,459,950	73,520,459,950	103,486,512,900	103,486,512,900
<i>Categorised as held-to-maturity investments</i>				
▪ Term deposits at banks	22,517,908,788	22,517,908,788	24,753,400,000	24,753,400,000
<i>Categorised as loans and receivables</i>				
▪ Cash in banks and cash equivalents	35,356,442,305	35,356,442,305	14,983,240,624	14,983,240,624
▪ Receivables from disposals of investments	1,267,822,409	1,267,822,409	375,902,735	375,902,735
▪ Interest and dividend receivables	572,597,671	572,597,671	1,174,636,329	1,174,636,329
<hr/>				
<b>Financial liabilities</b>				
<i>Categorised as liabilities at amortised cost</i>				
▪ Payables for purchase of investments	910,824,190	910,824,190	-	-
▪ Subscription fee payables to Distribution Agents	1,260,000	1,260,000	34,343,000	34,343,000
▪ Accrued expenses	379,191,021	379,191,021	440,666,812	440,666,812
▪ Payables to Fund Unitholders for Fund units redemption	116,674,492	116,674,492	124,144,876	124,144,876
▪ Fund's service fees payable	202,119,589	202,119,589	211,198,374	211,198,374
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**Eastspring Investments Vietnam Navigator Fund**  
**Notes to the financial statements for the year ended 31 December 2018 (continued)**

**Form B06 – QM**  
*(Issued under Circular No. 198/2012/TT-BTC  
dated 15 November 2012 of the Ministry of Finance)*

**(ii) Basis for determining fair values**

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

- Fair values of cash in banks and term deposits at banks are account balances at the reporting date.
- Fair values of securities which are listed on the Ho Chi Minh City Stock Exchange, the Hanoi Stock Exchange and the Unlisted Public Company Market are the closing prices (or other names, depending on the internal regulations of the Stock Exchange) of latest trading date of the securities prior to the valuation date.
- Fair values of other financial assets and liabilities approximate their carrying values as at the reporting date due to their short-term maturity of these financial instruments.

**22. Approval for issue the financial statements**

The financial statements as at 31 December 2018 and for the year then ended were authorised for issue by the Fund Representative Board on 18 March 2019.

18 March 2019

Eastspring Investments Fund Management Limited Liability Company

Prepared by:



Ms. Le Thi Thuy Phuong  
*Manager, Operations and Performance Analytics*

Approved by:



Mr. Ngo The Trieu  
*Chief Executive Officer*

