

**Eastspring Investments Fund
Management Limited Liability Company**

Financial Statements for the year ended
31 December 2015



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

Business Registration License No.	4104000113 1 st amendment	24 May 2005 23 January 2006
Fund Management Establishment and Operation Licence No.	03/UBCK-GPHDQLQ 17/UBCK-GP 27/UBCK-GPDC 67/UBCK-GPDC 25/GPDC-UBCK 51/GP-UBCK 08/GPDC-UBCK 29/GPDC-UBCK	26 May 2005 23 July 2008 20 November 2008 15 April 2010 09 December 2011 23 March 2012 26 March 2013 12 September 2013
Decision No.	51/GP-UBCK	23 March 2012

The Business Registration Licence and Fund Management Establishment and Operation Licence were issued by the Ho Chi Minh City Department of Planning and Investment and the State Securities Commission, respectively. On 23 March 2012 the State Securities Commission issued the Business License No. 51/GP-UBCK which allowed the Company to provide portfolio management services. On 26 March 2013, the State Securities Commission issued Amendment Licence No. 08/GPDC-UBCK to supplement securities advisory function to the existing Company's licences.

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

Board of Management	Julian Christopher Vivian Pull	Chairman (from 28 February 2015)
		Member (until 27 February 2015)
	Guy Robert Strapp	Chairman (until 27 February 2015)
	Nguyen Tuan Thân An	Member
	Wilfred John Blackburn	Member
	Jackie Chew Pei Pei	Member (from 28 February 2015)
Board of Director	Nguyen Tuan Thân An	Chief Executive Officer

**Eastspring Investments Fund Management Limited Liability Company
Corporate information (continued)**

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

Auditor KPMG Limited
Vietnam

**Eastspring Investments Fund Management Limited Liability Company
Statement of the Board of Director**

The Board of Director of Eastspring Investments Fund Management Limited Liability Company ("the Company") presents this statement and the accompanying financial statements of the Company for the year ended 31 December 2015.

The Board of Director is responsible for the preparation and fair presentation of the financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, the relevant requirements of Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Director:

- (a) the financial statements set out on pages 6 to 38 give a true and fair view of the financial position of the Company as at 31 December 2015, and of the results of operations and the cash flows of the Company for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, the relevant requirements of Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Board of Director has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Director



Nguyen Tuan Thên An
Chief Executive Office

Hồ Chí Minh City, 23 March 2016



KPMG Limited Branch
10th Floor, Sun Wah Tower
115 Nguyen Hue Street
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INDEPENDENT AUDITOR'S REPORT

To the Investor

Eastspring Investments Fund Management Limited Liability Company

We have audited the accompanying financial statements of Eastspring Investments Fund Management Limited Liability Company ("the Company"), which comprise the balance sheet as at 31 December 2015, the statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Director on 23 March 2016, as set out on pages 6 to 38.

Management's Responsibility

The Company's Board of Director is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, the relevant requirements of Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Director 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 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Board of Director, 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 Fund Management Limited Liability Company as at 31 December 2015 and of its results of operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, the relevant requirements of Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to financial reporting.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No.: 15-01-407



Truong Vinh Phuc

Practicing Auditor Registration
Certificate No. 1901-2013-007-1
Deputy General Director

Tran Dinh Vinh

Practicing Auditor Registration
Certificate No. 0339-2013-007-1

Ho Chi Minh City, 23 March 2016

Eastspring Investments Fund Management Limited Liability Company
Balance sheet as at 31 December 2015

Form B 01-CTQ
(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)

	Code	Note	31/12/2015 VND'000	31/12/2014 VND'000
ASSETS				
Current assets (100 = 110 + 130 + 150)	100		118,962,176	144,126,368
Cash and cash equivalents	110	5	106,154,989	131,945,400
Cash	111		8,489,561	4,292,374
Cash equivalents	112		97,665,428	127,653,026
Accounts receivable – short-term	130	6	10,367,731	9,003,718
Accounts receivable from customers	131		374,905	358,268
Prepayments to suppliers	132		101,181	117,738
Inter-company receivables	133		9,700,450	8,359,502
Other receivables	135		191,195	168,210
Other current assets	150		2,439,456	3,177,250
Short-term prepaid expenses	151		475,960	1,220,449
Other current assets	158		1,963,496	1,956,801
Long-term assets (200 = 220 + 260)	200		4,073,607	3,004,149
Fixed assets	220		379,215	390,364
Tangible fixed assets	221	7	295,840	320,420
Cost	222		3,225,910	4,038,372
Accumulated depreciation	223		(2,930,070)	(3,717,952)
Intangible fixed assets	227	8	83,375	69,944
Cost	228		982,797	892,906
Accumulated amortisation	229		(899,422)	(822,962)
Other long-term assets	260		3,694,392	2,613,785
Long-term prepaid expenses	261	9	96,589	145,854
Deferred tax assets	262	10	3,597,803	2,467,931
TOTAL ASSETS (270 = 100 + 200)	270		123,035,783	147,130,517

The accompanying notes are an integral part of these financial statements

Eastspring Investments Fund Management Limited Liability Company
Balance sheet as at 31 December 2015 (continued)

Form B 01-CTQ

(Issued under Circular No. 125/2011/TT-BTC dated 5-September 2011 of the Ministry of Finance)

	Code	Note	31/12/2015 VND'000	31/12/2014 VND'000
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		43,792,830	31,639,106
Current liabilities	310		34,999,797	25,734,519
Accounts payable to suppliers	312		66,025	66,025
Taxes payable to State Treasury	314	11	683,008	567,017
Accrued expenses	316	12	32,274,454	22,651,953
Inter-company payables	317	13	1,632,235	1,674,353
Other short-term payables	319		344,075	775,171
Long-term borrowings and liabilities	330		8,793,033	5,904,587
Deferred tax liabilities	335	10	161,375	28,310
Provision for severance allowance	336		853,003	853,003
Provisions – long-term	337	14	7,778,655	5,023,274
EQUITY	400		79,242,953	115,491,411
Contributed capital	411	15	25,000,000	25,000,000
Retained profits	420	16	54,242,953	90,491,411
- Retained profits brought forward	420a		90,491,411	125,466,009
- Loss for the current year	420b		(36,248,458)	(34,974,598)
TOTAL RESOURCES (440 = 300 + 400)	440		123,035,783	147,130,517

The accompanying notes are an integral part of these financial statements

Eastspring Investments Fund Management Limited Liability Company
Balance sheet as at 31 December 2015 (continued)

Form B 01-CTQ

(Issued under Circular No. 125/2011/TT-BTC dated 5 September 2011 of the Ministry of Finance)

OFF BALANCE SHEET ITEMS

	Code	Note	31/12/2015 VND'000	31/12/2014 VND'000
Foreign currencies	005		13,479,121	22,023,137
Cash and cash equivalents of entrustors	030	17	1,840,782,548	2,602,672,907
▪ <i>Cash and cash equivalents of entrustors – domestic</i>	031		1,840,300,861	2,602,495,080
▪ <i>Cash at banks of an oversea entrustor</i>	032		481,687	177,827
Investment portfolio	040	18	41,155,312,103	36,388,353,492
▪ <i>Investment portfolio of entrustors – domestic</i>	041		41,102,270,400	36,328,916,013
▪ <i>Investment portfolio of an oversea entrustor</i>	042		53,041,703	59,437,479
Receivables of entrustors	050		6,879,671	548,661

23 March 2016

Prepared by:



Dinh Thi Binh Duong
Chief Accountant

Approved by:



Nguyen Tuan Thien An
Chief Executive Office

The accompanying notes are an integral part of these financial statements

Eastspring Investments Fund Management Limited Liability Company
Statement of income for the year ended 31 December 2015

Form B 02-CTQ

(Issued under Circular No. 125/2011/TT-BTC dated 5 September 2011 of the Ministry of Finance)

	Code	Note	2015 VND'000	2014 VND'000
Total revenue	01	19	37,664,355	29,914,278
Financial income	21	20	3,930,695	4,437,533
Financial expenses	22		-	125,222
General and administration expenses	25	21	78,840,315	70,155,336
Net operating loss {30 = 1 + (21 - 22) - 25}	30		(37,245,265)	(35,928,747)
Results of other activities	40		-	100,690
Accounting loss before tax (50 = 30 + 40)	50		(37,245,265)	(35,828,057)
Income tax expense – current	51	22	-	-
Income tax benefit – deferred	52	22	(996,807)	(853,459)
Net loss after tax (60 = 50 – 51 – 52)	60		(36,248,458)	(34,974,598)

23 March 2016

Prepared by:



Dinh Thi Binh Duong
 Chief Accountant

Approved by:



Nguyen Tuan Thên An
 Chief Executive Office

The accompanying notes are an integral part of these financial statements

Eastspring Investment Fund Management Limited Liability Company
Statement of cash flows for the year ended 31 December 2015 (Direct method)

Form B 03-CTQ

(Issued under Circular No. 125/2011/TT-BTC dated 5 September 2011 of the Ministry of Finance)

	Code	2015 VND'000	2014 VND'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from fund management activities	01	35,869,533	37,985,896
Cash payments to employees	03	(44,923,848)	(45,728,056)
Corporate income tax paid	05	-	(1,256,797)
Other payments for operating activities	07	(20,027,135)	(29,247,099)
Net cash flows from operating activities	20	(29,081,450)	(38,246,056)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets	21	(234,959)	(178,270)
Change in short-term investments	26	-	11,697,008
Receipts of interest	27	3,525,998	4,544,632
Net cash flows from investing activities	30	3,291,039	16,063,370
Net cash flows during the year (50 = 20 + 30)	50	(25,790,411)	(22,182,686)
Cash and cash equivalents at the beginning of the year	60	131,945,400	154,128,086
Cash and cash equivalents at the end of the year (70 = 50 + 60) (Note 5)	70	106,154,989	131,945,400

23 March 2016

Prepared by:



Dinh Thi Binh Duong
Chief Accountant

Approved by:



Nguyen Tuan Thên An
Chief Executive Office

The accompanying notes are an integral part of these financial statements

Eastspring Investment Fund Management Limited Liability Company
Notes to the financial statements for the year ended 31 December 2015

Form B 09-CTQ
*(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 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

(a) Ownership structure

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

(b) Principal activities

The principal activities of the Company are to establish and manage securities investment funds, to provide financial consultancy and securities investment consultancy and to provide portfolio management services under Fund Management Establishment and Operation Licence No. 03/UBCK-GPHDQLQ issued by the State Securities Commission of Vietnam on 26 May 2005 and amended on 23 July 2008, 20 November 2008, 15 April 2010, 9 December 2011, 23 March 2012, 26 March 2013 and 12 September 2013 (together referred to as the “Fund Management Licence”).

The total chartered capital amounts of the Company as stipulated in the Fund Management Licence is VND25 billion.

(c) Normal operating cycle

The normal operating cycle of the Company is generally within 12 months.

(d) Company structure

As at 31 December 2015, the Company had 25 employees (31/12/2014: 26 employees) of which 1 is management personnel. During the year, 1 employees resigned and no disciplinary action was taken against any of the employees. As at 31 December 2015, the Company had 12 employees who were qualified for fund and assets management (31/12/2014: 12 employees).

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, the relevant requirements of Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting guidance for investment fund management companies and the relevant statutory requirements applicable to financial reporting, which may differ in some material respects from International Financial Reporting Standards and the generally accepted accounting principles and standards of other countries. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations and cash flows in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than Vietnam. Furthermore, their utilisation is not designed for those who are not informed about Vietnam's accounting principles, procedures and practices.

(b) Basis of measurement

The financial statements, except for the statement of cash flows, are prepared on the accrual basis using the historical cost concept. The statement of cash flows is prepared using the direct method.

(c) Annual accounting period

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

(d) Accounting and presentation currency

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

3. Adoption of new guidance on accounting system for enterprises

On 22 December 2014, the Ministry of Finance issued Circular No. 200/2014/TT-BTC providing guidance on the Vietnamese Accounting System for enterprises ("Circular 200"). Circular 200 replaces previous guidance on the Vietnamese Accounting System for enterprises under Decision No. 15/2006-QD/BTC dated 20 March 2006 and Circular No. 244/2009/TT-BTC dated 31 December 2009. Circular 200 is effective after 45 days from the signing date and applicable for annual accounting periods beginning on or after 1 January 2015.

The Company has adopted the applicable requirements of Circular 200 for the year ended 31 December 2015 on a prospective basis. The significant changes to the Company's accounting policies and the effects on the financial statements, if any, are disclosed in the following note to the financial statements:

- Recognition of foreign exchange difference (Note 4(a)).

4. Summary of significant accounting policies

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

(a) Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at actual rates of exchange ruling at the transaction dates. The actual rates of exchange applied to account for foreign currency transaction are determined as follows:

- Exchange rate applied to buying or selling foreign currency is the exchange rate stipulated in the currency exchange contract between the Company and the bank.
- Exchange rate applied to capital contribution transaction is the foreign currency buying rate at the transaction date quoted by the bank through which the investor transfers funds for the capital contribution.
- Exchange rate applied to recognise trade and other receivables is the foreign currency buying rate at the transaction date quoted by the bank through which the Company receives money from the customer or counterparty.
- Exchange rate applied to recognise trade and other payables is the foreign currency selling rate at the transaction date quoted by the bank through which the Company intends to make payment for the liability.
- For asset acquisitions or expenses that are settled with immediate payment, the exchange rate applied is the foreign currency buying rate at the transaction date quoted by the bank through which the Company makes payment.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at actual rates of exchange ruling at the reporting date. The actual rates of exchange applied to retranslate monetary items denominated in foreign currency at the reporting date are determined as follows:

- For monetary assets (cash and cash equivalents and receivables): the foreign currency buying rate at the reporting date quoted by the commercial bank where the Company most frequently conducts transactions. Cash at banks and bank deposits are retranslated using the foreign currency buying rate of the bank where the Company deposits the money or maintains those bank accounts.
- For monetary liabilities (payables): the foreign currency selling rate at reporting date quoted by the commercial bank where the Company most frequently conducts transactions.

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

Eastspring Investments Fund Management Limited Liability Company
Notes to the financial statements for the year ended 31 December 2015 (continued)

Form B 09-CTQ
(Issued under Circular No. 125/2011/TT-BTC dated 5 September 2011 of the Ministry of Finance)

(b) Cash and cash equivalents

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

(c) Accounts receivable

Trade and other receivables are stated at cost less allowance for doubtful debts.

(d) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after tangible fixed assets have been put into operation, such as repairs, maintenance and overhaul costs, are charged to the statement of income in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditures are capitalised as additional costs of tangible fixed assets.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

- | | |
|--------------------|-------------|
| ▪ renovation costs | 3 years |
| ▪ office equipment | 3 – 6 years |

(e) Intangible fixed assets

Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 4 years.

(f) Trade and other payables

Trade and other payables are stated at their cost.

(g) Provisions

A provision is recognised if, as a result of a past event, the Company 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.

(h) Portfolio management contracts

The Company receives money from clients and uses the money to invest in securities on behalf of the clients in accordance with the terms of the portfolio management contracts. Investment in securities on behalf of clients under portfolio management contracts together with assets and liabilities in relation to such contracts are recorded off balance sheet in accordance with Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance.

(i) Classification of financial instruments

Solely for the purpose of providing disclosures about the significance of financial instruments to the Company's financial position and results of operations and the nature and extent of risk arising from financial instruments, the Company classifies its 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 Board of Directors 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 Company as at fair value through profit or loss.

Eastspring Investment Fund Management Limited Liability Company
Notes to the financial statements for the year ended 31 December 2015 (continued)

Form B 09-CTQ
*(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 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 Company has the positive intention and ability to hold to maturity, other than:

- those that the Company upon initial recognition designates as at fair value through profit or loss;
- those that the 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 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 Company upon initial recognition designates as available-for-sale; or
- for which the Company may not recover substantially all of its 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 Board of Directors 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).
- Upon initial recognition, it is designated by the Company as at fair value through profit or loss.

Eastspring Investments Fund Management Limited Liability Company
Notes to the financial statements for the year ended 31 December 2015 (continued)

Form B 09-CTQ

*(Issued under Circular No. 125/2011/TT-BTC
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Financial liabilities carried 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.

(j) Long-term incentive bonus

The long-term incentive bonus is a cash award scheme granted to employees over a period of three years. It is recognised as an expense in the statement of income, with a corresponding increase in liability, over the period that the employees become entitled to the awards ("vesting period"). The amount recognised as an expense is adjusted annually to reflect the increase/decrease by reference to the profitability of the total Eastspring Investments business in Asia during the vesting period.

(k) Contributed capital

Contributed capital is recognised on the contribution date at the actual amount contributed less any directly attributable transaction costs.

(l) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using the tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(m) Revenue and other income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

(i) Services rendered

Fees, incentives and commissions are recognised in the statement of income when earned. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(ii) Interest income

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

(n) Operating lease payments

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of income as an integral part of the total lease expense.

(o) Severance allowance

Under the Vietnamese Labour Code, when employees who have worked for 12 months or more ("eligible employees") voluntarily terminates his/her labour contract, the employer is required to pay the eligible employees severance allowance calculated based on years of service and employees' compensation at termination. Provision for severance allowance has been provided based on employees' years of service and their current salary level.

Pursuant to Law on Social Insurance, effective from 1 January 2009 the Company and its employees are required to contribute to an unemployment insurance fund managed by the Vietnam Social Insurance Agency. With the implementation of unemployment insurance scheme, the Company is no longer required to provide severance allowance for the service period after 1 January 2009. However, severance allowance to be paid to the existing eligible employees as of 31 December 2015 will be determined by reference to the eligible employees' years of service as of 31 December 2008 and their average salary for the six-month period prior to the termination date.

(p) Related parties

Parties are considered to be related to the Company 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 Company 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.

Eastspring Investments Fund Management Limited Liability Company
Notes to the financial statements for the year ended 31 December 2015 (continued)

Form B 09-CTQ

*(Issued under Circular No. 125/2011/TT-BTC
dated 5 September 2011 of the Ministry of Finance)*

Related parties refer to the investors, their ultimate parent companies and their subsidiaries and associates. Related parties also include funds managed by the Company and members of the Company's Board of Directors.

(q) Off balance sheet items

Amounts which are defined as off balance sheet items under Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on the promulgation of accounting system of investment fund management companies and the Vietnamese Accounting System for enterprises are disclosed in the relevant notes to these financial statements.

(r) Nil balances

Items or balances required by Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on the promulgation of accounting system of investment fund management companies and the Vietnamese Accounting System for enterprises that are not shown in these financial statements indicate nil balances.

(s) Fair value measurement and disclosures

According to Circular No. 210/2009/TT-BTC dated 6 November 2009 issued by the Ministry of Finance, the Company discloses the fair value of financial assets and financial liabilities as compared to their carrying values in Note 26.

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

(t) Segment reporting

The Company operates as one segment, investment management.

5. Cash and cash equivalents

	31/12/2015	31/12/2014
	VND'000	VND'000
Cash at banks	8,489,561	4,292,374
Cash equivalents	97,665,428	127,653,026
Cash and cash equivalents in the statement of cash flows	<u>106,154,989</u>	<u>131,945,400</u>

Cash equivalents included bank deposits with original terms to maturity of equal or less than three months. Cash and cash equivalents as at 31 December 2015 included amounts denominated in currencies other than VND amounting to approximately VND13,479 million (31/12/2014: VND22,023 million).

The Company's cash equivalents as at 31 December 2015 earned annual interest rates ranging from 3.70% to 4.39% per annum (31/12/2014: from 0.05% to 4% per annum).

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6. Accounts receivable – short-term

Accounts receivable included the following amounts due from related companies:

	31/12/2015	31/12/2014
	VND'000	VND'000
Amounts due from the parent company		
Trade	9,590,569	7,801,644
Amounts due from related companies		
Trade	109,881	103,984
Non-trade	-	453,874
	<hr/>	<hr/>
	9,700,450	8,359,502
	<hr/>	<hr/>

The trade related amounts due from the parent company and related companies represent management fees and other fees receivable from these related companies. These amounts were unsecured, interest free and are payable upon demand.

Other receivables comprised:

	31/12/2015	31/12/2014
	VND'000	VND'000
Receivables from employees	29,680	33,760
Others	161,515	134,450
	<hr/>	<hr/>
	191,195	168,210
	<hr/>	<hr/>

The carrying amount of receivables represents the maximum credit risk pertaining to receivables.

There were no overdue for the outstanding receivables as of 31 December 2015 and 2014. The Company believed that no allowance for doubtful debts was necessary in respect of the outstanding receivables as of 31 December 2015 and 2014.

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7. Tangible fixed assets

2015	Renovation costs VND'000	Office equipment VND'000	Total VND'000
Cost			
Opening balance	1,197,006	2,841,366	4,038,372
Additions	145,068	-	145,068
Written-off	-	(957,530)	(957,530)
Closing balance	1,342,074	1,883,836	3,225,910
Accumulated depreciation			
Opening balance	1,197,006	2,520,946	3,717,952
Charge for the year	90,526	406,079	496,605
Adjustments (*)	(149,232)	(220,265)	(369,497)
Written-off	-	(914,990)	(914,990)
Closing balance	1,138,300	1,791,770	2,930,070
Net book value			
Opening balance	-	320,420	320,420
Closing balance	203,774	92,066	295,840

(*) The adjustments related to over depreciated amounts which were recorded in previous years.

2014	Renovation costs VND'000	Office equipment VND'000	Total VND'000
Cost			
Opening balance	1,197,006	2,663,096	3,860,102
Additions	-	178,270	178,270
Closing balance	1,197,006	2,841,366	4,038,372
Accumulated depreciation			
Opening balance	874,345	2,018,062	2,892,407
Charge for the year	322,661	502,884	825,545
Closing balance	1,197,006	2,520,946	3,717,952
Net book value			
Opening balance	322,661	645,034	967,695
Closing balance	-	320,420	320,420

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Included in the cost of tangible fixed assets were assets costing VND2,741 million which were fully depreciated as of 31 December 2015 (31/12/2014: VND1,556 million), but which are still in active use.

8. Intangible fixed assets

	Software	
	2015	2014
	VND'000	VND'000
Cost		
Opening balance	892,906	892,906
Additions	89,891	-
Closing balance	982,797	892,906
Accumulated amortisation		
Opening balance	822,962	709,408
Charge for the year	76,460	113,554
Closing balance	899,422	822,962
Net book value		
Opening balance	69,944	183,498
Closing balance	83,375	69,944

Included in the cost of intangible fixed assets were assets costing VND893 million which were fully amortised as of 31 December 2015 (31/12/2014: VND487 million), but which are still in active use.

9. Long-term prepaid expenses

	2015	2014
	VND'000	VND'000
Opening balance	145,854	381,975
Addition during the year	83,016	-
Amortisation for the year	(132,281)	(236,121)
Closing balance	96,589	145,854

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10. Deferred tax assets and deferred tax liabilities

(i) Recognised deferred tax assets and deferred tax liabilities:

	31/12/2015 VND'000	31/12/2014 VND'000
Deferred tax assets:		
Accrued operating expenses	3,427,202	2,280,270
Provision for severance allowance	170,601	187,661
	<hr/> 3,597,803	<hr/> 2,467,931
Deferred tax liabilities:		
Unrealised foreign exchange gains	(161,375)	(28,310)
	<hr/> 3,436,428	<hr/> 2,439,621

(ii) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following item:

	31/12/2015		31/12/2014	
	Temporary difference VND'000	Tax value VND'000	Temporary difference VND'000	Tax value VND'000
Tax losses	29,482,041	5,896,408	31,948,700	7,028,714

The tax losses will be expired in the following years:

Year of expiry	Status of tax review	Tax losses available VND'000
2019	Outstanding	31,948,700
2020	Outstanding	29,482,041
		<hr/> 61,430,741

The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits therefrom.

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11. Taxes payable to State Treasury

	31/12/2015	31/12/2014
	VND'000	VND'000
Personal income tax	205,451	169,531
Withholding tax	477,557	397,486
	<hr/>	<hr/>
	683,008	567,017
	<hr/>	<hr/>

12. Accrued expenses

	31/12/2015	31/12/2014
	VND'000	VND'000
Consultancy fees	749,555	749,555
Bonuses and incentives	15,765,552	12,613,763
Current portion of long-term incentive bonus (Note 14)	5,398,736	3,947,045
Others	10,360,611	5,341,590
	<hr/>	<hr/>
	32,274,454	22,651,953
	<hr/>	<hr/>

13. Inter-company payables

	31/12/2015	31/12/2014
	VND'000	VND'000
Amounts due to the parent company – Non-trade	108,347	82,604
Amounts due to other related companies – Non-trade	1,523,888	1,591,749
	<hr/>	<hr/>
	1,632,235	1,674,353
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The amounts due to the parent company and related companies were unsecured, interest free and are payable upon demand.

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14. Provisions – long-term

	31/12/2015	31/12/2014
	VND'000	VND'000
Long-term incentive bonus (i)	6,642,012	4,784,264
Others	1,136,643	239,010
	7,778,655	5,023,274

(i) Movements of long-term incentive bonus during the year were as follows:

	2015	2014
	VND'000	VND'000
Opening balance	4,784,264	3,659,720
Provision made during the year	7,256,484	5,071,589
Current portion reclassified to accrued expenses (Note 12)	(5,398,736)	(3,947,045)
	6,642,012	4,784,264

15. Contributed capital

The Company's authorised chartered capital of VND25,000,000,000 has been fully contributed by the parent company, Prudential Vietnam Assurance Private Limited, a company incorporated in Vietnam.

The ultimate parent company, Prudential plc, is incorporated in the United Kingdom.

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16. Statement of changes in equity

	Opening balance		Increase/decrease during the year		Closing balance	
	1/1/2014	1/1/2015	Year ended 31/12/2014	Year ended 31/12/2015	31/12/2014	31/12/2015
	VND'000	VND'000	Increase VND'000	Increase VND'000	Decrease VND'000	Decrease VND'000
Contributed capital	25,000,000	25,000,000	-	-	-	25,000,000
Retained profits	125,466,009	90,491,411	- (34,974,598)	- (36,248,458)	-	54,242,953
	150,466,009	115,491,411	- (34,974,598)	- (36,248,458)	115,491,411	79,242,953

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17. Cash and cash equivalents of entrustors

(a) Domestic entrustors

Details of cash and cash equivalents held on behalf of domestic entrustors were as follows:

	31/12/2015	31/12/2014
	VND'000	VND'000
Shareholder Fund	549,707,420	1,831,330,955
Cash at banks	7,191,491	32,267,498
Short-term deposits	542,515,929	1,799,063,457
Universal Fund	39,229,335	22,176,878
Cash at banks	20,050,547	2,175,767
Short-term deposits	19,178,788	20,001,111
Life Fund	1,101,063,577	690,868,573
Cash at banks	41,006,608	128,397,673
Short-term deposits	1,060,056,969	562,470,900
Unit-link Fund	63,945,255	54,593,690
Cash at banks	21,540,505	33,909,355
Short-term deposits	42,404,750	20,684,335
Eastspring Investments Vietnam Navigator Fund	8,629,473	3,524,984
Cash at banks	562,718	3,524,984
Short-term deposits	8,066,755	-
Pension Fund	77,725,801	-
Cash at banks	1,213,288	-
Short-term deposits	76,512,513	-
	<hr/>	<hr/>
	1,840,300,861	2,602,495,080
	<hr/>	<hr/>

(b) Oversea entrustor

Details of cash held on behalf of an oversea entrustor was as follows:

	31/12/2015	31/12/2014
	VND'000	VND'000
International Opportunities Fund – Vietnam Equity	481,687	177,827
Cash at banks	481,687	177,827
	<hr/>	<hr/>

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18. Investment portfolio of entrustors

(a) Domestic entrustors

Details of investment portfolio held on behalf of domestic entrustors were as follows:

	31/12/2015		31/12/2014	
	Quantity	Market value VND'000	Quantity	Market value VND'000
Shareholder Fund				
Listed debt securities	30,551,210	3,525,232,457	22,691,847	2,658,389,992
Long-term deposits		140,620,417		140,620,417
Universal Fund				
Listed debt securities	9,348,479	1,057,782,147	5,058,479	579,108,671
Life Fund				
Listed equity securities	11,817,577	363,959,671	5,139,552	164,076,673
Listed debt securities	299,124,387	33,383,851,762	254,936,909	30,568,971,037
Unlisted debt securities	5,000,631	1,130,641,485	631	634,595,836
Long-term deposits		777,593,250		1,080,531,972
Unit-link Fund				
Listed equity securities	10,346,980	310,430,442	7,119,570	226,563,282
Listed debt securities	1,890,000	214,959,401	1,860,000	206,295,573
Eastspring Investments Vietnam Navigator Fund				
Listed equity securities	2,486,235	58,329,627	1,840,123	41,402,230
Listed debt securities	127,000	14,863,237	231,000	28,360,330
Pension Fund				
Listed debt securities	1,200,000	124,006,504	-	-
		41,102,270,400		36,328,916,013

(b) Oversea entrustor

Details of investment portfolio held on behalf of an oversea entrustor was as follows:

	31/12/2015		31/12/2014	
	Quantity	Market value VND'000	Quantity	Market value VND'000
International Opportunities Fund – Vietnam Equity				
Listed equity securities	1,422,259	53,041,703	1,424,055	59,437,479

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19. Total revenue

Total revenue represents the gross invoiced value of services rendered exclusive of value added tax.

Total revenue comprised:

	2015	2014
	VND'000	VND'000
Revenue from management of investment portfolios	33,546,047	26,380,045
Revenue from administration of investment portfolios	4,118,308	3,534,233
	<hr/>	<hr/>
	37,664,355	29,914,278

As at 31 December 2015, there were six securities investment funds with the total net asset values of VND43,004 billion (31/12/2014: VND38,991 billion) under the Company's management.

The Company manages the investments of Shareholder Fund, Universal Fund, Life Fund and Unit-link Fund of Prudential Vietnam Assurance Private Limited (the parent company) under an investment management agreement effective from 1 January 2008. Portfolio management fees earned from services rendered to Prudential Vietnam Assurance Private Limited in 2015 amounted to approximately VND36.5 billion (2014: VND28.4 billion).

In 2008, the Company entered into a non-discretionary investment portfolio management services agreement with M&G Real Estate Asia Pte Ltd. (previously known as Prudential Property Investment Management (Singapore) Pte Ltd.), a company incorporated in Singapore. Portfolio management fees earned from services rendered to Prudential Property Investment Management (Singapore) Pte Ltd in 2015 is nil (2014: VND0.6 billion). The Company stopped providing this service in March 2014.

In 2008, the Company also entered into a non-discretionary investment portfolio management services agreement with Eastspring Investments (Singapore) Limited (previously known as Prudential Asset Management (Singapore) Limited) to provide portfolio management services to International Opportunities Fund – Vietnam Equity ("IOF"), a sub-fund of the Société d'Investissement à Capital Variable incorporated under the laws of the Grand-Duchy of Luxembourg. Management fees earned from services rendered to IOF in 2015 amounted to approximately VND0.06 billion (2014: VND0.09 billion).

The Company also manages Eastspring Investments Vietnam Navigator Fund, an open ended fund established in the Socialist Republic of Vietnam under the Fund Establishment Certificate No. 09/GCN-UBCK issued by the State Securities Commission of Vietnam dated 25 March 2014. Management fees earned from services rendered to Eastspring Investments Vietnam Navigator Fund in 2015 amounted to approximately VND1.1 billion (2014: VND0.81 billion).

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20. Financial income

	2015 VND'000	2014 VND'000
Bank interest income	3,542,635	4,342,808
Foreign exchange gain	388,060	94,725
	<hr/>	<hr/>
	3,930,695	4,437,533
	<hr/>	<hr/>

21. General and administration expenses

General and administration expenses by nature of expenses were as follows:

	2015 VND'000	2014 VND'000
Staff costs	52,282,709	43,086,537
Consultancy and other services costs	12,382,170	13,486,890
Other expenses	14,175,436	13,581,909
	<hr/>	<hr/>
	78,840,315	70,155,336
	<hr/>	<hr/>

22. Income tax

(a) Recognised in the statement of income

	2015 VND'000	2014 VND'000
Current tax expense		
Current year	-	-
Deferred tax benefit		
Origination and reversal of temporary differences	(996,807)	(853,459)
	<hr/>	<hr/>
Income tax benefit	(996,807)	(853,459)
	<hr/>	<hr/>

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(b) Reconciliation of effective tax rate

	2015 VND'000	2014 VND'000
Accounting loss before tax	(37,245,265)	(35,828,057)
Tax at the Company's tax rate	(8,193,958)	(7,882,173)
Non-deductible expenses	143,694	-
Effect of change in tax rate	1,157,049	-
	(6,893,215)	(7,882,173)
Deferred tax assets not recognised	5,896,408	7,028,714
	(996,807)	(853,459)

(c) Applicable tax rates

Under the terms of Circular No. 100/2004/TT-BTC dated 20 October 2004 and Circular No. 72/2006/TT-BTC dated 10 August 2006 of the Ministry of Finance, the Company has an obligation to pay the government income tax at the rate of 20% of taxable profits for the first 10 years starting from the first year of operation and the prevailing tax rates for the succeeding years from the year 2015.

The prevailing income tax rate applicable to the Company is 22% for 2015 and 2014, and will be reduced to 20% from 2016.

(d) Transfer pricing regulations

Circular No. 117/2005/TT-BTC dated 19 December 2005 effective 27 January 2006 and Circular No. 66/2010/TT-BTC dated 4 April 2010 effective 6 June 2010 of the Ministry of Finance ("the Circulars"), provide guidance on requirements for companies to comply with the arm's length principle in setting transfer prices for transactions with related parties.

The Company had certain transactions with its related parties. The Board of Directors is of the opinion that the Company's transfer prices of its services with related companies are on an arm's length basis. Accordingly, they believe that no further income tax liability will arise as a result of the implementation of the Circulars.

However, the tax authorities have not finalised the Company's tax submission since the dates of implementation. Should the tax authorities interpret and apply the Circulars differently from the Company, it might affect the Company's taxes payable to State Treasury in its financial statements.

23. Dividends

In 2015, the Company did not declare any dividends (2014: nil).

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24. Lease commitments

The future minimum lease payments under non-cancellable operating leases were:

	31/12/2015	31/12/2014
	VND'000	VND'000
Within one year	5,266,483	5,988,655
Within two to five years	3,277,402	11,278,925
	<hr/>	<hr/>
	8,543,885	17,267,580
	<hr/>	<hr/>

25. Significant transactions with related parties

In addition to related party balances disclosed in other notes to the financial statements, the Company had the following transactions with related parties during the year as follows:

Related Party	Relationship	Nature of transaction	2015	2014
			VND'000	VND'000
Prudential Vietnam Assurance Private Limited	Parent company	Management fees	32,341,200	24,869,026
		Fund administration fees	4,118,308	3,534,233
		Services provided by the parent company	186,530	183,843
Prudential Corporation Asia	Related company	Expenses paid on the Company's behalf	1,526,073	626,783
M&G Real Estate Asia Pte Ltd. (previously known as Prudential Property Investment Management (Singapore) Pte Ltd.)	Related company	Portfolio management fees	-	618,247
Eastspring Investments (Singapore) Limited	Related company	Portfolio management fees for IOF	67,120	85,854
		Expenses paid on the Company's behalf	4,751,335	4,909,814
Eastspring Investments Vietnam Navigator Fund	Fund under management	Management fees	1,137,727	806,918
			<hr/>	<hr/>

26. Financial risk management

Overview

The Company has exposure to the following risks from its use of financial instruments:

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

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

The Company's Board of Management oversees how the Board of Directors monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation, and arises principally from cash in banks and cash equivalents and accounts receivable.

Exposure to credit risk

The total of carrying amounts of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	31/12/2015 VND'000	31/12/2014 VND'000
Cash and cash equivalents	(i)	106,154,989	131,945,400
Trade and other receivables	(ii)	10,266,550	8,885,980
		116,421,539	140,831,380

(i) Cash and cash equivalents

The cash and cash equivalents at banks of the Company are mainly held with well-known financial institutions. The Board of Directors does not foresee any significant credit risks from these deposits and does not expect that these financial institutions may default and cause losses to the Company.

(ii) Trade and other receivables

Account receivables mainly include management fees receivable and advisory fees receivable. Credit risk in relation to management fees and advisory fees receivable is considered minimal as these are receivables from related parties and funds under management of the Company.

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(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

At the balance sheet date, the financial liabilities with fixed or determinable payments have the following contractual maturities including the estimated interest payments as follows:

	Carrying amount VND'000	Undiscounted contractual cash flows VND'000	Less than 1 month VND'000	From 1 to 3 months VND'000	From 3 months to 1 year VND'000	From 1 year to 5 years VND'000
As at 31 December 2015						
Accounts payable – trade	66,025	-	66,025	-	-	-
Accrued expenses	11,110,166	-	-	11,110,166	-	-
Inter-company payables	1,632,235	-	-	1,632,235	-	-
Other short-term payables	344,075	-	344,075	-	-	-
	13,152,501	-	410,100	12,742,401	-	-
As at 31 December 2014						
Accounts payable – trade	66,025	66,025	66,025	-	-	-
Accrued expenses	6,091,145	6,091,145	-	6,091,145	-	-
Inter-company payables	1,674,353	1,674,353	-	1,674,353	-	-
Other short-term payables	775,171	775,171	775,171	-	-	-
	8,606,694	8,606,694	841,196	7,765,498	-	-

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(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's results of operations or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

The Company is exposed to currency risk on revenue and purchases that are denominated in a currency other than the respective accounting currency of the Company. The currencies in which these transactions primarily are denominated are VND and USD.

Exposure to currency risk

At the balance sheet date, the Company had the following net monetary asset position exposed to currency risk as follows:

	Denominated in USD	
	31/12/2015	31/12/2014
	VND'000	VND'000
Cash and cash equivalents	13,479,121	22,023,137
Inter-company receivables	9,569	13,684
Inter-company payables	-	(129,300)
	13,488,690	21,907,521

The following was the significant exchange rate applied by the Company:

	Exchange rate as at	
	31/12/2015	31/12/2014
USD/VND	22,420	21,360

Below is an analysis of the possible impact on the net loss after tax of the Company for the year ended 31 December 2015 and 2014. This analysis assumes that all other variables, in particular interest rates, remain constant:

	Effect to net loss after tax	
	31/12/2015	31/12/2014
	VND'000	VND'000
USD (3% strengthening)	315,635	341,757

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The opposite movement of the USD would have the equal but opposite effect to the net loss of the Company for the year ended 31 December 2015 and 2014.

(ii) Interest rate risk

Interest rate risk is the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate as a result of changes in market interest rates. The Company's exposure to market risk due to changes in interest rates is minimal since all term deposits have maturities of equal or not more than three months.

At the balance sheet date, the interest rate profile of the Company's interest-bearing financial instruments was:

	Carrying amount	
	31/12/2015 VND'000	31/12/2014 VND'000
<i>Fixed rate instruments</i>		
Cash equivalents	97,665,428	127,653,026
	<hr/>	
<i>Variable rate instruments</i>		
Cash at banks	8,489,561	4,292,374
	<hr/>	

A change of 100 basis points in interest rates would have increased or decreased the net loss of the Company by VND66 million (31/12/2014: VND33 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(iii) Market price risk

Market price risk is the risk that the value of the financial instruments will decrease as a result of changes in equity indices and the values of individual securities. The Company is not directly exposed to market price risk as it does not hold any securities as at 31 December 2015 and 2014.

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(d) Fair value of financial assets and liabilities

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

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, were as follows:

	31/12/2015		31/12/2014	
	Carrying amount VND'000	Fair value VND'000	Carrying amount VND'000	Fair value VND'000
Categorised as loans and receivables:				
Cash and cash equivalents	106,154,989	106,154,989	131,945,400	131,945,400
Trade and other receivables (*)	10,266,550	(***)	8,885,980	(***)
Categorised as liabilities at amortised cost:				
Trade and other payables (**)	2,042,335	(***)	2,515,549	(***)
Other financial liabilities (**)	11,110,166	(***)	6,091,145	(***)

(*) Trade and other receivables include accounts receivable – trade, inter-company receivables and other receivables.

(**) Trade and other payables include accounts payable – trade, inter-company payables and other payables.

(***) The Company has not determined fair values of these financial instruments for disclosure in the financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards, the relevant requirements of Circular No. 125/2011/TT-BTC dated 5 September 2011 issued by the Ministry of Finance on promulgation of accounting system of securities investment fund management companies and the relevant statutory requirements applicable to financial reporting. The fair values of these financial instruments may differ from their carrying amounts.

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27. Indices

	31/12/2015	31/12/2014
Asset structure		
Long-term assets/Total assets	3.31%	2.04%
Current assets/Total assets	96.69%	97.96%
Financial position		
Liabilities/Total assets	35.59%	21.50%
Cash and cash equivalents/Current liabilities	303.30%	512.72%
Fixed assets/Equity	0.48%	0.34%
	2015	2014
Profitability		
Net loss/Total revenue	-96.24%	-116.92%
Net loss/Equity	-45.74%	-30.28%

23 March 2016

Prepared by:

Approved by:


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Chief Accountant




Nguyen Tuan Thien An
Chief Executive Office

