

PXP VIETNAM EMERGING EQUITY FUND LIMITED



Annual Report

2019



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GENERAL INFORMATION

Registered Office	Harneys Fiduciary (Cayman) Limited 4th Floor, Harbour Place, 103 South Church Street P.O. Box 10240, Grand Cayman, KY1-1002 Cayman Islands
Board of Directors	Mr Philip Smiley (Chairman) Mr Antony Jordan Mr Christopher Vale Ms Trinh Thanh Mai Mr Simon Raybould
Investment Manager	PXP Vietnam Asset Management Limited Vistra Corporate Services Centre Wickhams Cay II, Road Town, Tortola VG1110 British Virgin Islands www.pxpvietnam.com
Administrator and Registrar	Apex Fund Services Ltd. 58 Par-la-Ville Road, 4th Floor, Vallis Building, Hamilton HM11 Bermuda
Administrator and Registrar's Agent	Apex Fund Services (HK) Limited 17th Floor, Beautiful Group Tower, 77 Connaught Road, Central Hong Kong
Custodian	DBS Bank Ltd., Hong Kong Branch 18th Floor, The Center, 99 Queen's Road, Central Hong Kong
Vietnam Sub-Custodian	Standard Chartered Bank (Vietnam) Limited Hanoi Towers, 49 Hai Ba Trung Street, Hoan Kiem District Hanoi, Vietnam
Legal Adviser to the Fund on Cayman Islands Law	Harney Westwood & Riegels 3rd Floor, 1 Pemberton Row, London EC4A 3BG United Kingdom
Legal Adviser to the Fund on Vietnamese Law	Freshfields Bruckhaus Deringer LLP 11th Floor, Saigon Tower, 29 Le Duan Boulevard, District 1 Ho Chi Minh City, Vietnam
Swiss Representative Agent	ARM Swiss Representatives SA Route de Cite-Ouest 2 1196 Gland Switzerland
Auditors	Ernst & Young Ltd. 62 Forum Lane, Camana Bay P.O. Box 510, Grand Cayman, KY1-1106 Cayman Islands

FINANCIAL SUMMARY AND PERFORMANCE

FINANCIAL SUMMARY

Financial position	31 December 2019	31 December 2018	% change
Total Net Assets	US\$75,093,000	US\$88,610,000	-15.3%
Participating shares of US\$0.05 in issue	8,148,347	9,709,767	-16.1%
Net Asset Value ("NAV") per share (average)	US\$9.216	US\$9.126	1.0%
NAV per share (Lead Series)	US\$9.144	US\$9.063	0.9%

Results for the year	2019	2018
Net profit/(loss)	US\$1,693,000	(US\$15,666,000)
Expense ratio ¹	1.88%	1.87%

VIETNAM MARKET DATA

	31 December 2019	31 December 2018	% change
Vietnamese dong ("VND")/US dollar ("US\$") exchange rate	23,174	23,190	-0.1%
Viet Nam Index	960.99	892.54	7.7%
Viet Nam Index adjusted US\$ rate	584.37	542.37	7.7%

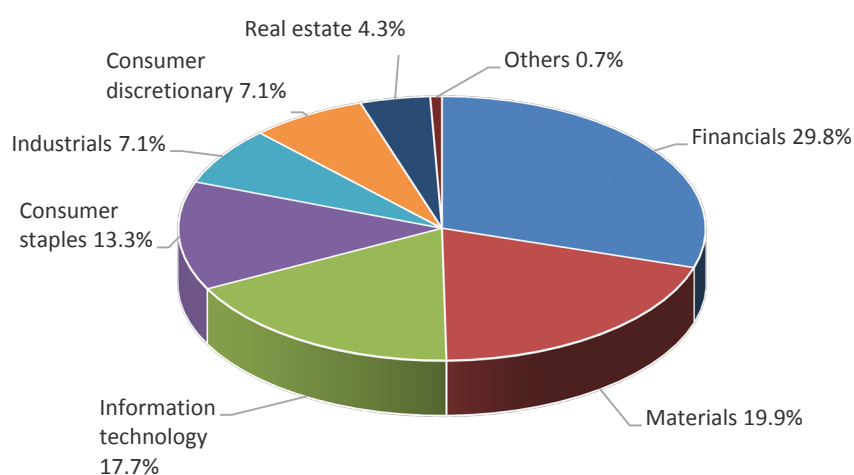
¹ The expense ratio is calculated as total expenses, excluding brokerage commissions, performance fee and foreign exchange gain/(loss), as a percentage of the average month-end net assets for the year.

FINANCIAL SUMMARY AND PERFORMANCE

RELATIVE PERFORMANCE

Performance for years to 31 December 2019	NAV per share ²	Viet Nam Index ³
	%	%
1 year	0.9	7.7
2 years	-17.3	-4.3
3 years	25.4	42.0
4 years	40.0	61.0
5 years	50.2	62.5
6 years	69.3	73.2
7 years	121.0	108.7
8 years	176.1	148.1
9 years	91.7	66.8
10 years	61.8	54.9
11 years	195.3	129.7
12 years	-22.0	-28.4
13 years	-2.8	-11.4
14 years	82.2	114.7

PORTFOLIO BY SECTOR AT 31 DECEMBER 2019



² The Fund adopted series accounting with effect from 29 July 2011 and from that date onwards the NAV of the Lead Series is the published NAV of the Fund. Prior to that date there was a common NAV for all the shares of the Fund.

³ Viet Nam Index performance is the total percentage movement in the Viet Nam Index (presented in US dollar terms) for the stated number of years up to 31 December 2019.

DIRECTORS' REPORT

The Board of Directors of PXP Vietnam Emerging Equity Fund Limited (the “Fund”) presents its report and the Fund’s financial statements as at and for the year ended 31 December 2019.

CLOSURE OF THE FUND

The Investment Manager, PXP Vietnam Asset Management Limited, has on 12 March 2020, considering the level of Assets Under Management, recommended to the Board of Directors of the Fund to close the Fund by selling the whole portfolio and to redeem all of the participating shares of the Fund. However, the closure was postponed until such time as the Vietnam stock markets recover significantly from the downturn from March 2020 associated with the global spread of COVID-19.

On 20 May 2020, the Board of Directors noted that the Vietnam stock markets had rebounded from the lows of March 2020 and the Net Asset Value per share of the Lead Series of the Fund (the “NAV”) as estimated by the Investment Manager was 5% below the NAV as at 31 December 2019. The Board resolved that the plan to close the Fund should proceed, subject to the final NAV on which the redemption is based being at a level not less than 90% of the 31 December 2019 NAV, and that the Investment Manager be instructed to seek and secure buyers for the whole portfolio of the Fund. As at the date of approval of the accompanying financial statements, the period of time to find buyers for the whole portfolio is uncertain and therefore the amount of time that the Fund will continue in business is not known.

INVESTMENT OBJECTIVE

The primary investment objective of the Fund is to seek long-term capital appreciation of its assets by investing in a portfolio of the equity securities of listed or prelisting Vietnamese companies, whether established with domestic or foreign ownership. The Fund may also invest up to 30% of its assets at the time of investment in the shares of overseas-listed companies.

The primary objective of the Fund has remained unchanged throughout the year ended 31 December 2019.

INVESTMENT POLICIES

The investment policies and restrictions of the Fund are set out in the Prospectus of the Fund which may be found in the section relating to the Fund on the website of PXP Vietnam Asset Management Limited: www.pxpvietnam.com.

The investment policies and restrictions of the Fund have remained unchanged throughout the year ended 31 December 2019.

ECONOMY AND STOCK MARKET

Vietnam GDP growth of 7.02% for 2019 was lower than the 7.08% growth for 2018, but represents the second-highest growth rate since 2011. The largest contributors to this expansion continued to be the industry and construction sector with strong manufacturing growth driven by industries with foreign direct investment, and the services sector, including an 11.8% increase in domestic retail sales. Total exports of goods at US\$264.2 billion was up 8.4% in 2019, contributing to a trade surplus of US\$11.1 billion for the year. Consumer price inflation was running between 2% and 3% for most of the year, within the government’s 4% target, but spiked to 5.2% year-on-year in December 2019 mainly due to a sharp increase in pork prices as a consequence of an outbreak of African swine fever which spread through Vietnam during the year. The Vietnamese dong (the “Dong”) continued to be relatively stable, appreciating by 0.1% against the US dollar over the year to 31 December 2019.

DIRECTORS' REPORT

ECONOMY AND STOCK MARKET (CONTINUED)

After the fall of 9.3% in the Viet Nam Index (“VNI”) for the calendar year 2018, the Vietnam stock markets recovered strongly at the start of 2019 with the VNI increasing by 13.4% to reach 1011.86 points on 18 March 2019. This was a period of strength in global markets amid optimism that the U.S.-China trade war could be settled amicably. From mid-March however, global concerns around the inversion of the U.S. yield curve impacted the Vietnam markets with an initial 4% fall in the VNI over one week. From there until the end of October, developments in the U.S.-China trade war, uncertainty around the positive or negative consequences for Vietnam arising from the trade war and the absence of any significant boost to the Vietnam market resulted in the VNI trading in a range from 940 to 1000 points. The VNI jumped up 2.6% at the start of November to reach a highest close for the year of 1024.91 points on 6 November 2019 on the back of share buy-backs by two VinGroup companies and the expected launch of an ETF that would include stocks that are not available to foreign investors due to foreign ownership limit restrictions. However, the ETF launch did not happen in the year, and the lack of any further positive developments, along with falls in global equity markets, brought the Vietnam market back down; the VNI ending at 960.99 points on 31 December 2019, a decline in the year of 7.7% in US dollar terms.

PERFORMANCE AND POSITION

Over the financial year to 31 December 2019, the NAV per share for the Lead Series of the Fund increased from US\$9.063 to US\$9.144, a gain of 0.9% compared to an increase in the VNI in US dollar terms of 7.7% over the same period. The VNI is a capitalisation-weighted index comprising the listed shares of every company listed on the Ho Chi Minh City Stock Exchange.

2019

The five stocks with the largest positive contribution to the profit for the year ended 31 December 2019 were as follows:

Holding	Return ⁴	Net gains and dividends
	%	US\$'000
FPT Corporation	49.1	6,074
Viet Nam Dairy Products JSC ⁵	5.3	828
Danang Rubber JSC	13.5	608
Dong Phu Rubber JSC	31.2	480
Petrovietnam Drilling and Well Services Corporation	32.8	393

⁴ Return comprises net gains/(losses) on investments and dividend income divided by opening valuation and cost of any purchases in the year.

⁵ “JSC” is an abbreviation for “Joint Stock Company”

DIRECTORS' REPORT

PERFORMANCE AND POSITION (CONTINUED)

2019 (continued)

The five stocks with the largest negative contribution for the year ended 31 December 2019 were as follows:

Holding	Return	Net losses and dividends
	%	US\$'000
Coteccons Construction JSC	(66.0)	(4,011)
Viet Capital Securities JSC	(30.7)	(800)
Vietnam Container Shipping JSC	(20.2)	(749)
Ho Chi Minh City Securities Corporation	(3.8)	(713)
Sai Gon Thuong Tin Commercial Joint Stock Bank	(10.3)	(109)

2018

The five stocks with the largest negative contribution to the loss for the year ended 31 December 2018 were as follows:

Holding	Return	Net losses and dividends
	%	US\$'000
Viet Nam Dairy Products JSC	(19.8)	(7,695)
Coteccons Construction JSC	(27.4)	(2,739)
Ho Chi Minh City Securities Corporation	(9.3)	(2,302)
FPT Corporation	(10.3)	(1,516)
Petrovietnam Drilling and Well Services Corporation	(28.8)	(967)

The five stocks with the largest positive contribution for the year ended 31 December 2018 were as follows:

Holding	Return	Net gains and dividends
	%	US\$'000
Military Commercial Joint Stock Bank	27.9	1,175
Asia Commercial Joint Stock Bank (ACB)	19.1	708
VNDirect Securities Corporation	8.1	474
Nui Nho Stone JSC	18.9	460
Ho Chi Minh City Development Joint Stock Commercial Bank	31.1	357

Investments held as at 31 December 2019 were valued at US\$73,825,000 (31 December 2018: US\$90,738,000). Changes to investments are shown in Note 4 to the financial statements on pages 24 to 25.

Net assets attributable to participating shareholders at 31 December 2019 amounted to US\$75,093,000 (31 December 2018: US\$88,610,000). The Fund had no borrowings as at 31 December 2019 or 31 December 2018.

DIRECTORS' REPORT

AUDITORS

The auditors of the Fund are Ernst & Young Ltd.

RESPONSIBILITIES OF THE INVESTMENT MANAGER AND THE BOARD OF DIRECTORS IN RESPECT OF THE FINANCIAL STATEMENTS

The Investment Manager is responsible for the preparation and fair presentation of the financial statements of each financial year in accordance with International Financial Reporting Standards, and for such internal control as the Investment Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is responsible for overseeing the Fund's financial reporting process.

The Board of Directors confirms that the Fund has complied with the above requirements in preparing the financial statements.

In preparing the financial statements, the Investment Manager, overseen by the Board of Directors, is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is inappropriate to presume that the Fund will continue in business. As the Board of Directors of the Fund and the Investment Manager have agreed to close the Fund, the financial statements as at 31 December 2019 and for the year then ended are not prepared on the going concern basis.

APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements which present fairly, in all material respects, the financial position of the Fund as at 31 December 2019 and its financial performance, changes in net assets attributable to participating shareholders, and cash flows for the year then ended in accordance with International Financial Reporting Standards.

For and on behalf of the Board of Directors:

Philip Smiley
Chairman
11 June 2020

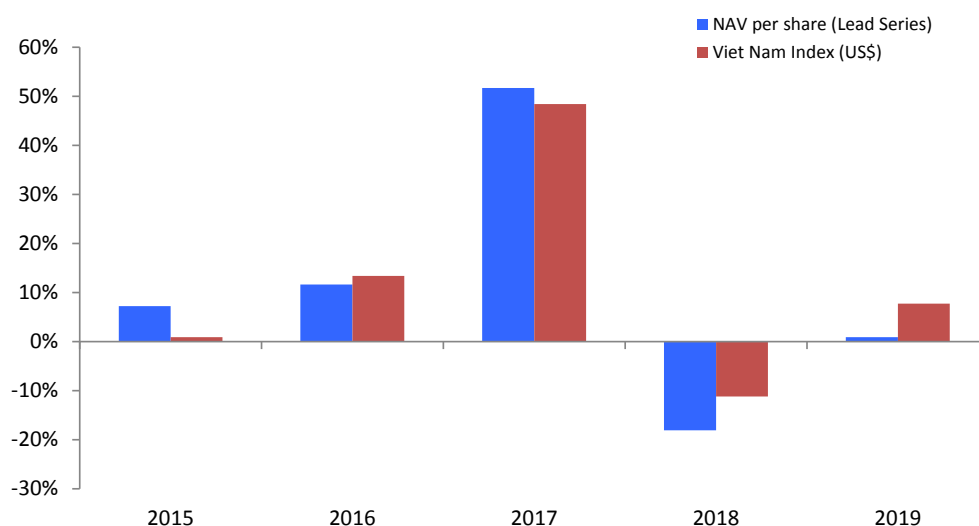
INVESTMENT MANAGER’S REPORT



The Fund is managed by PXP Vietnam Asset Management Limited, a British Virgin Islands company incorporated in October 2002. Kevin Snowball, the Chief Executive Officer and Chief Investment Officer of the Investment Manager has been Portfolio Manager since the Fund’s inception in 2005.

During the year under review the Fund’s Net Asset Value (“NAV”) per share for the Lead Series increased by 0.9% net of all fees, from US\$9.063 to US\$9.144. This compares with an increase in the Viet Nam Index (“VNI”) of 7.7% in US dollar terms over the same period. The Vietnamese dong appreciated by 0.1% against the US dollar over the period under review.

The graph below presents the year-on-year NAV performance as compared to that of the VNI in US dollar terms for the past five financial years.



Barring further global catastrophe, this will be the final Annual Report of PXP Vietnam Emerging Equity Fund. Given the remoteness of the period which it covers we would prefer to summarise the year briefly in terms of performance and then move on to framing 2019 and 2020 in the context of decisions taken regarding the future of the Fund.

As we observed in the January 2020 Newsletter, underperformance against the benchmark in 2019 was entirely due to our failing to own the six stocks that were collectively responsible for 145.9% of the VNI’s 7.74% gain over the course of the year. Excluding that group obviously implies that, if not for the contribution of those stocks, the index would itself have suffered a down year, and whilst the Fund’s return exceeded that as well as the performance of all but a handful of funds in the peer group, 2019 was not only a fairly forgettable year itself, it has been swiftly obliterated from memory given what has transpired since the world discovered, after a number of false starts emanating from pigs and chickens, what the word “pandemic” actually means.

INVESTMENT MANAGER'S REPORT

More of that shortly, but first we would like to explain in more detail the rationale behind our recommendation that the Fund be closed down after coming up to 15 years in existence. The last year in which the Fund had net subscriptions was 2015, the year in which the Fund merged with PXP Vietnam Fund. Since that time, up to and including the beginning of June 2020, we have seen net redemptions totalling just under US\$112 million, which has obviously had a significant impact on the profitability of the Investment Manager. We would, if we had any confidence at all that the situation would be reversed, be willing to soldier on. Since, however, we are at a loss to explain *why* we are unable to attract assets to manage, in spite of a reasonable track record as a Vietnam dedicated investment manager over coming up to 17 ½ years and a pretty decent reputation, if we say so ourselves, we have decided to throw in the towel, as it were. It may be our size, the structure of the Funds, my own hideously unjust reputation for being somewhat prickly (probably my age), or just that the market no longer requires our presence given its incredible expansion and development over the period of our existence as a manager. Whichever, or whatever, we are not bitter, just perhaps a trifle disenchanted.

We exit (stage left, naturally) absolutely not because we have any doubt whatsoever about the future path of Vietnam to as yet unvisited uplands, but purely and simply for the reasons stated above. Vietnam has come through incredible challenges over the years, always improving, always advancing. Few, if any countries have dealt with the coronavirus pandemic of 2020 with anything remotely approaching the decisiveness and effectiveness of the response of the Vietnamese government, and the country seems ready to move to the next stage of its development as more production is attracted, particularly from China to take advantage of its still relatively inexpensive labour force, its great strides in the modernisation of the economy and the dramatic improvements in its infrastructure.

For those who have visited, and even more so for those of us who have had the privilege of living here, it is clear that Vietnam is absolutely an emerging market in all but name and it is, in my opinion, a travesty that the stamp of investment approval has not yet been forthcoming, given the failure to live up to the hype by those that have gone before. The end of 2020 or the beginning of 2021 will see the installation of the new government, with a blank slate to complete the advances of the incumbent administration in opening to foreign investors. We see the relatively recent authorisation of the so-called "Diamond" ETF as a placeholder, a declaration of intent for a more inclusive stock market, and steps along that path through the new Enterprise Law and Law on Investment, due over the next six months or so, will doubtless be heralded by investors even if we are no longer here to blow the trumpet.

Whilst it would be preferable to bow out at the highs, we do so with a certain sense of pride that we are at the head of the pack in terms of performance both year to date and particularly since the darkest days of the pandemic crash to the end of March. We thank most humbly once again those that have trusted us to manage their money in a market from brand new to almost emerging, where we have ridden a wave of turnover that has increased from roughly US\$75,000 a day for the one hour that the market was open on Monday, Wednesday and Friday mornings in 2003 and 2004 to almost a billion dollars in a single day earlier this week, and market capitalisation that has increased by over 1,000 times during our tenure.

It's been great. We'll miss it. Thank you.

On behalf of the Investment Manager

Kevin Snowball
11 June 2020

TEN LARGEST INVESTMENTS AS AT 31 DECEMBER 2019

		Valuation	% of NAV
		US\$'000	%
HCM	<p>Ho Chi Minh City Securities Corporation</p> <p>Ho Chi Minh City Securities Corporation is the second largest broker by market share on the Ho Chi Minh City Stock Exchange ("HOSE") with 10.5% in 2019. HCM engages in securities brokerage, margin lending, investment banking and equity research. The firm is recognised for its experienced, relatively conservative management team and good corporate governance standards.</p>	14,856	19.8
FPT	<p>FPT Corporation</p> <p>FPT Corporation is the foremost ICT company in Vietnam with leading market share across most business lines including systems integration, software outsourcing and internet services. The company reduced its stakes in distribution and retail subsidiaries in late 2017, to focus on higher margin business.</p>	13,057	17.4
HPG	<p>Hoa Phat Group JSC</p> <p>Hoa Phat Group JSC is a vertically integrated steel producer with a 26% market share in construction steel and 31% market share in steel pipes. HPG is in the process of increasing its capacity from 2.3 million tonnes in 2018 to 4 million tonnes by the end of 2020 by developing a new manufacturing complex in central Vietnam.</p>	11,720	15.6
VNM	<p>Viet Nam Dairy Products JSC (Vinamilk)</p> <p>Vinamilk is the largest producer and distributor of dairy products in Vietnam. VNM has a long track record of strong management and good corporate governance, and has been a core holding in the Fund's portfolio since inception. The company has recently begun exporting to China and South Korea in response to slowing growth in the domestic market.</p>	9,820	13.1
DRC	<p>Danang Rubber JSC</p> <p>Danang Rubber JSC is a Vietnamese tyre manufacturer with over 30 years in operation. DRC ranks number one in producing tyres for trucks in the domestic market and was the first Vietnamese company to produce radial tyres. Capacity expansion is beginning to feed through to the bottom line.</p>	4,902	6.5

TEN LARGEST INVESTMENTS AS AT 31 DECEMBER 2019

		Valuation	% of NAV
		US\$'000	%
PXP VSCF	PXP Vietnam Smaller Companies Fund Limited PXP Vietnam Smaller Companies Fund Limited is an open-ended mutual fund which is also managed by PXP Vietnam Asset Management Limited, the Investment Manager of the Fund. PXP VSCF invests in a portfolio of the equity securities of smaller Vietnamese companies with a market capitalisation of US\$20 million to US\$250 million at time of initial investment. All fees charged to the Fund are rebated by the Investment Manager.	3,525	4.7
VSC	Vietnam Container Shipping JSC Vietnam Container Shipping JSC is one of the leading container port operators in Vietnam, with two container terminals and a warehouse in Hai Phong City running near full capacity, and trucking lines for container and conventional cargo transportation services throughout Vietnam.	2,744	3.7
NNC	Nui Nho Stone JSC Nui Nho Stone JSC is a construction stone processor with two mines in south-east Vietnam serving fast-growing construction demand in infrastructure, industrial and residential segments in Ho Chi Minh City and its satellite provinces.	2,247	3.0
CTD	Coteccons Construction JSC (CotecCons) CotecCons is one of the leading construction groups in Vietnam. CTD has been the general contractor for a large number of projects in residential, commercial and industrial sectors in Vietnam and has established a reputation for high quality construction and civil engineering. Corporate governance issues are being addressed. The Fund has been actively involved in this process.	1,951	2.6
VCI	Viet Capital Securities JSC Viet Capital Securities JSC is the third largest securities company in Vietnam with 8.2% market share on HOSE in 2019. It provides investment banking, brokerage and margin lending services, as well as proprietary trading. VCI is respected in Vietnam for its leading investment banking competencies.	1,722	2.3
		66,544	88.7



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Independent Auditors' Report

The Board of Directors
PXP Vietnam Emerging Equity Fund Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PXP Vietnam Emerging Equity Fund Limited (the "Fund") which comprise the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in net assets attributable to participating shareholders and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2019 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 2.1 to the accompanying financial statements, which describes the basis of accounting. As further disclosed in Note 12, on 1 June 2020, the Board of Directors approved the plan to close the Fund and actions required to proceed the closure accordingly. As a result, the Fund has changed to adopt the accounting principles in accordance with the non-going concern basis of accounting in preparation and presentation of the Fund's financial statements for the year ended 31 December 2019. Consequently, the opening balances presented as corresponding figures are not comparable to the current year's figures. Our opinion is not modified in respect of this matter.

Other Information

Other information consists of the General Information, Financial summary and performance, Directors' report, Investment Manager's report, Ten largest investments listing and Full portfolio listing. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Fund's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

This report is made solely to the Board of Directors, as a body. Our audit work has been undertaken so that we might state to the Board of Directors those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Board of Directors as a body, for our audit work, for this report, or for the opinions we have formed.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst + Young Ltd.

11 June 2020

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019	2018
		US\$'000	US\$'000
Income			
Net gains/(losses) on financial assets at fair value through profit or loss	4	33	(17,796)
Dividend income		3,170	4,737
Other income		54	56
		3,257	(13,003)
Operating expenses			
Management fee	10.1	(1,218)	(1,837)
Performance fee	10.1	-	(312)
Custodian, administration and secretarial fees		(121)	(197)
Transaction costs		(39)	(103)
Directors' fees	10.2	(105)	(105)
Foreign exchange gain/(loss) – net		-	(17)
Other operating expenses		(81)	(92)
		(1,564)	(2,663)
Net profit/(loss) for the financial year		1,693	(15,666)
Other comprehensive income/(loss)			
<i>Item that will not be reclassified to profit or loss:</i>			
Currency translation differences		41	(2,499)
Total comprehensive profit/(loss) for the financial year		1,734	(18,165)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	31 December 2019	31 December 2018
		US\$'000	US\$'000
Assets			
Financial assets at fair value through profit or loss	4	73,825	90,738
Other receivables and prepayments		577	397
Cash and cash equivalents	7	838	385
Total assets		75,240	91,520
Liabilities			
Accrued fees and other payables		147	910
Subscriptions received in advance		-	2,000
Total liabilities (excluding net assets attributable to participating shareholders)		147	2,910
Net assets attributable to participating shareholders	8	75,093	88,610

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO PARTICIPATING SHAREHOLDERS
FOR THE YEAR ENDED 31 DECEMBER 2019

	Numbers of shares outstanding	Net assets attributable to participating shareholders US\$'000
As at 1 January 2018	14,596,733	163,032
Issue of participating shares	959,246	9,706
Redemptions of participating shares	(5,867,718)	(65,963)
Participating shares increased on series consolidation	21,506	-
Net loss for the year	-	(15,666)
Currency translation differences	-	(2,499)
As at 31 December 2018	9,709,767	88,610
Issue of participating shares	313,517	2,850
Redemptions of participating shares	(1,874,937)	(18,101)
Net profit for the year	-	1,693
Currency translation differences	-	41
As at 31 December 2019	8,148,347	75,093

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	US\$'000	US\$'000
Cash flows from operating activities		
Purchases of financial assets at fair value	(6,778)	(1,948)
Proceeds from sales of financial assets at fair value	23,752	64,312
Dividends received	2,990	4,658
Other income received	54	93
Performance fee paid	-	(1,914)
Other expenses paid	(2,314)	(1,830)
Net cash generated from operating activities	17,704	63,371
Cash flows from financing activities		
Proceeds from participating shares issued	850	5,206
Redemptions of participating shares	(18,101)	(73,490)
Net cash used in financing activities	(17,251)	(68,284)
Net increase/(decrease) in cash and cash equivalents	453	(4,913)
Cash and cash equivalents at beginning of the financial year	385	5,298
Cash and cash equivalents at end of the financial year (Note 7)	838	385

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. CORPORATE INFORMATION

PXP Vietnam Emerging Equity Fund Limited (the “Fund”) was incorporated in the Cayman Islands on 25 July 2005 under the Companies Law, Cap. 22 (Revised) as an exempted company with limited liability with Certificate of Incorporation number CD-152440. Initially it was a closed-end investment company. The Fund was converted to an open-ended mutual fund effective from 29 January 2010. It is registered under Section 4(3) of The Mutual Funds Law, with registration number 17399.

The registered office of the Fund is located at Harneys Fiduciary (Cayman) Limited, 4th floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman, KY1-1002, Cayman Islands.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Fund have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

As further disclosed in Note 12, as at the date of these financial statements, the Board of Directors approved the plan to close the Fund, subject to the final NAV on which the redemption is based being at a level not less than 90% of the 31 December 2019 NAV and instructed the Investment Manager to seek and secure buyers for the whole portfolio of the Fund. Despite the uncertainty of future movements in the NAV and the ability of securing buyers for the whole portfolio, it is expected that the Fund will not continue its normal business in the foreseeable future. Accordingly, the financial statements as at 31 December 2019 and for the year then ended are prepared on the non-going concern basis.

The Fund presents its statement of financial position in order of increasing liquidity. As the Board of Directors of the Fund and the Investment Manager have agreed to close the Fund, as at 31 December 2019 all assets on the statement of financial position are expected to be recovered within 12 months of the reporting date and all liabilities on the statement of financial position are expected to be settled within 12 months of the reporting date.

The financial statements are presented in US dollars (US\$) and all values are rounded to the nearest thousand ('000) except where otherwise indicated.

2.2 New standards, amendments and interpretations; change in accounting policies and disclosures

(a) New standards that are effective for the year ended 31 December 2019

There are no new standards, amendments to existing standards or IFRIC interpretations that are effective for the year ended 31 December 2019 that have a material impact on the Fund’s financial statements.

(b) Standards issued but not yet effective

There are no new standards, amendments to existing standards or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Fund’s financial statements.

(c) Change in accounting policies and disclosures

The accounting policies are applied consistently with the ones in the previous year, except for the changes presented below:

In accordance with the non-going concern basis of accounting, assets are measured at the estimated amount of cash or other consideration that the Fund expects to collect in settling or disposing of those assets, which for financial assets at fair value through profit or loss continues to be their fair value at the reporting date, and liabilities are measured at their estimated settlement amounts. These estimated amounts are undiscounted and are recorded to the extent the Fund has a reasonable basis for estimation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Functional and foreign currencies

(a) Functional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The functional currency of the Fund is the Vietnamese dong (the “Dong”), which reflects the Fund’s primary activity of investing in equity securities of listed or prelisting Vietnamese companies. The majority of the Fund’s investments are originally made in Dong denominated securities and will be realised in Dong.

The Fund has adopted the US dollar as its presentation currency, as its shareholders are based outside SR Vietnam and the US dollar is a more widely used and recognised currency than the Dong. The shareholders’ investments in the Fund are made in US dollar and any redemptions will be paid to the shareholders in US dollar.

The Fund’s results and financial position are translated from its functional currency to its presentation currency as follows:

- (i) assets and liabilities, including participating shares, are translated at the closing rate at the reporting date;
- (ii) equity items are translated using the exchange rate at the transaction date;
- (iii) income and expenses are translated using the exchange rate at the transaction date; and
- (iv) all exchange differences arising on translation are recognised in the statement of comprehensive income within “*Other comprehensive income/(loss)*”.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rates prevailing at the reporting date.

Foreign exchange gains and losses arising from translation are recognised in the statement of comprehensive income within “*Foreign exchange gain/(loss) – net*”.

Foreign exchange gains and losses relating to the financial assets carried at fair value through profit or loss are recognised in the statement of comprehensive income within “*Net gains/(losses) on financial assets at fair value through profit or loss*”.

2.4 Financial assets at fair value through profit or loss

(a) Classification

On the basis of both (i) the Fund’s business model for managing its financial assets; and (ii) the contractual characteristics of the financial assets, the Fund classifies its investments in equity securities, and related derivatives, as financial assets at fair value through profit or loss.

(b) Investments in associates

In accordance with the exemption in IAS 28 *Investments in Associates and Joint Ventures*, the Fund does not account for its investments in associates using the equity method. Instead, the Fund has elected to measure its investments in associates at fair value through profit or loss.

(c) Recognition/derecognition

The Fund recognises a financial asset when it becomes a party to the contractual provisions of the instrument. Regular-way purchases and sales of investments are recognised on the trade date - the date on which the Fund commits to purchase or sell the investment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Financial assets at fair value through profit or loss (continued)

(c) Recognition/derecognition (continued)

A financial asset is derecognised when the rights to receive cash flows from the financial asset have expired or the Fund has transferred its rights to receive cash flows from the asset and either: (i) the Fund has transferred substantially all the risks and rewards of the asset; or (ii) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(d) Measurement

Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are presented in the statement of comprehensive income in the period in which they arise. Dividends earned on these investments are recorded separately in dividend income.

(e) Fair value estimation

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

The fair value for financial assets traded in active markets is based on their closing prices on the relevant stock exchange as at the reporting date.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at the reporting date. Valuation techniques include the use of comparable recent arm’s length transactions, earnings multiples, net asset valuations, discounted cash flow analysis and option pricing models.

From time to time, the Fund may hold rights to acquire shares, which are financial instruments that are not quoted in an active market. Fair values of such derivative financial instruments are determined using valuation techniques, usually an option pricing model.

(f) The fair value hierarchy

Financial instruments carried at fair value are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets that are recognised in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by reassessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting period.

2.5 Amounts due from and due to brokers

Amounts due from and due to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the reporting date. These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment for amounts due from brokers.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.7 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts, if any, are shown within borrowing in the statement of financial position.

2.8 Accrued fees and expenses

Accrued fees and expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

2.9 Participating shares

The Fund issues one class of participating shares which are redeemable at the holder's option. Participating shares are issued at prices based on the net asset value per share of the Fund's Lead Series at the time of issue. Subscription monies received before the subscription dealing day are recorded as subscriptions received in advance.

The Fund issues a new series of shares each time there is a subscription. If a performance fee is payable on more than one series in respect to a financial year, every series on which a performance fee is payable in respect to that financial year will be consolidated into the Lead Series or the earliest issued series on which a performance fee is payable.

Participating shares can be put back to the Fund, on the terms set out in the Prospectus, for cash equal to the net asset value per share of the relevant series as adjusted for the applicable redemption fee and any price adjustments and transaction costs as set out in the Prospectus.

The participating shares are classified as financial liabilities.

The participating shares are carried at the redemption amount that would be payable at the reporting date, before adjustment for the applicable redemption fee and any price adjustments and transaction costs, if the holder exercises the right to put the shares back to the Fund.

2.10 Net gains or losses on financial assets at fair value through profit or loss

Net gains or losses on financial assets at fair value through profit or loss are changes in the fair value of financial assets held, and exclude dividend income.

Unrealised gains and losses comprise changes in the fair value of financial assets for the year for those financial assets that are held at the year-end. Realised gains and losses on disposals of financial assets classified as at fair value through profit or loss represent the difference between the asset's disposal amount and average cost of the Fund's holdings in that asset. The cost base in the calculation of average cost of a holding is the fair value of such assets at the start of the year and the cost of such assets acquired during the year.

2.11 Dividend income

Dividend income is recognised when the Fund's right to receive payment is established.

2.12 Transaction costs

Transaction costs are costs incurred to acquire financial assets or financial liabilities at fair value through profit or loss. They include commissions paid to brokers. Transaction costs, when incurred, are immediately recognised as an expense in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Dividend distribution on participating shares

Dividends on participating shares are recognised as liabilities in the statement of financial position and as expenses in profit and loss when the dividends are approved by the Board of Directors.

2.14 Taxation

The Fund is domiciled in the Cayman Islands. Under the current laws of the Cayman Islands, there is no corporate tax, capital gains tax or other taxes payable by the Fund.

The Fund is subject to tax of 0.1% of the gross proceeds when it sells all or part of its investments in domestic securities in Vietnam. Equity shares of non-public joint stock companies and ownership interests in limited liability companies in Vietnam are not regarded as securities and are subject to income tax on any gain made. The Fund classifies tax on sales of securities as a deduction from net gains/(losses) on financial assets in the statement of comprehensive income and tax on sales of interests in non-public joint stock companies or limited liability companies within income tax expense in the statement of comprehensive income.

Dividends received by the Fund from equity investments in Vietnam are not subject to withholding taxes. Dividends received by the Fund from holdings in investment funds in Vietnam, interest from cash deposits at banks operating in Vietnam, interest from Vietnamese bonds and interest from certificates of deposits are subject to withholding taxes. The Fund classifies withholding taxes on dividends and interest within income tax expense in the statement of comprehensive income.

2.15 Comparative information

The Fund prepared the financial statements for the year ended 31 December 2019 on the basis that going concern assumption is not appropriate.

Accordingly, the corresponding figures presented are not comparable with current year figures due to the difference in accounting basis. The financial statements for the year ended 31 December 2019 are prepared on the non-going concern assumption, whereas the corresponding figures of the year ended 31 December 2018 were prepared on the going concern basis.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Fund's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

3.1 Accounting estimates and assumptions

The key area of estimation and assumption in applying accounting policies that has a significant effect on the amounts recognised in the financial statements is noted below.

Fair value of securities not quoted in an active market

The fair value of equity securities that are not traded in an active market is determined by using valuation techniques. The research team of the Investment Manager performs the valuations of unlisted equity holdings using its own models, which primarily employ earnings multiples, discounted cash flows and net asset valuation methods, with the application of marketability discounts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

3.2 Judgements in applying accounting policies

The key area of judgement in applying accounting policies that has the most significant effect on the amounts recognised in the financial statements is noted below.

Functional currency

Management considers the Dong the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The Fund's primary activity is to invest in equity securities of listed or prelisting Vietnamese companies. The majority of the Fund's investments are originally made in Dong denominated securities and will be liquidated and realised in Dong. Expenses of the Fund are mainly denominated in US dollar, with the largest expenses being based on the net asset value of the Fund which is substantially determined by the value of the investments held. The funds from financing activities of the Fund are generated in US dollar, but in accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates* priority is given to the primary indicators when determining the functional currency.

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2019	31 December 2018
	US\$'000	US\$'000
Equity instruments:		
- Listed equity securities	69,138	86,191
- Unlisted equity securities	1,162	1,123
- Unlisted investment fund shares	3,525	3,424
Total financial assets at fair value through profit or loss	73,825	90,738

Movements in financial assets at fair value through profit or loss in the year:

	2019	2018
	US\$'000	US\$'000
Opening balance	90,738	172,118
Purchases	6,778	1,948
Sales proceeds	(23,752)	(63,075)
Net gains/(losses) recognised in profit or loss	33	(17,796)
Difference arising on translation to presentation currency	28	(2,457)
Closing balance	73,825	90,738

As at 31 December 2019, the Fund holds an interest of 20.5% (31 December 2018: 21.0%) in the redeemable non-voting shares of PXP Vietnam Smaller Companies Fund Limited, an open-ended mutual fund which is also managed by PXP Vietnam Asset Management Limited, the Investment Manager of the Fund, with a fair value of US\$3,525,000 (31 December 2018: US\$3,424,000).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Analysis of financial assets at fair value through profit or loss by country of incorporation of the issuer:

	31 December 2019	31 December 2018
	US\$'000	US\$'000
SR Vietnam	70,300	87,314
Cayman Islands	3,525	3,424
	73,825	90,738

Analysis of financial assets at fair value through profit or loss by currency of denomination:

	31 December 2019	31 December 2018
	US\$'000	US\$'000
Vietnamese dong	70,300	87,314
US dollar	3,525	3,424
	73,825	90,738

The year-end exchange rates were:

	31 December 2019	31 December 2018
Vietnamese dong/US dollar	23,174	23,190

Net gains/(losses) arising from changes in the fair values of financial assets at fair value through profit or loss in the year:

	2019	2018
	US\$'000	US\$'000
Realised gains on sales of financial assets at fair value	3,289	3,372
Unrealised losses on financial assets at fair value	(3,256)	(21,168)
Net gains/(losses) recognised in profit or loss	33	(17,796)

Net gains/(losses) arising from changes in the fair values of financial assets at fair value through profit or loss as presented above is calculated with reference to the fair values of assets held at the start of the year and the costs of assets acquired during the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

5. FAIR VALUE ESTIMATION

The following table presents the Fund's financial assets (by class) that are measured at fair value:

	Level 1	Level 2	Level 3	Total balance
	US\$'000	US\$'000	US\$'000	US\$'000
31 December 2019				
Equity instruments:				
- Equity securities	69,138	-	1,162	70,300
- Investment fund shares	-	3,525	-	3,525
Total financial assets measured at fair value	69,138	3,525	1,162	73,825
31 December 2018				
Equity instruments:				
- Equity securities	86,191	-	1,123	87,314
- Investment fund shares	-	3,424	-	3,424
Total financial assets measured at fair value	86,191	3,424	1,123	90,738

All fair value measurements disclosed are recurring fair value measurements.

In the years ended 31 December 2019 and 31 December 2018, there were no reclassifications of financial assets and no transfers between levels.

Financial instruments in Level 1

The fair values of financial assets traded in active markets are based on their closing prices at the relevant stock exchange on or before the reporting date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. These instruments are included in Level 1. As at 31 December 2019 and 31 December 2018, instruments included in Level 1 comprise primarily equities listed on the Ho Chi Minh City Stock Exchange or Hanoi Stock Exchange.

Financial instruments in Level 2

The Level 2 equity amount as at 31 December 2019 and 31 December 2018 is a holding in the redeemable shares of PXP Vietnam Smaller Companies Fund Limited which are not traded in an active market. The fair values of investments in shares of funds that are not traded in an active market are based on the NAV per share of the fund. Management uses its judgement to assess if a premium or discount, if any, should be applied to the NAV figures. As this fund permits its shares to be redeemed on a monthly basis with three months' notice at NAV per share, the investment in redeemable shares held in this fund is valued at the latest published NAV per share at the reporting date.

Financial instruments in Level 3

If one or more of the significant inputs required to fair value an instrument is not based on observable market data, the instrument is included in Level 3. As observable prices are not available for these securities, the Fund has used valuation techniques to derive the fair values.

The Level 3 equity amount at 31 December 2019 and 31 December 2018 consists of two unlisted equity securities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

5. FAIR VALUE ESTIMATION (CONTINUED)

Financial instruments in Level 3 (continued)

Valuation process

The research team of the Investment Manager performs the valuations of financial assets required for financial reporting purposes, including Level 3 fair values. The valuations are reviewed by the Chief Financial Officer of the Investment Manager. The valuations are reviewed and approved by the Board of the Fund on a quarterly basis.

Fair value of unlisted equity securities

The valuation of the holding of shares in a property development company as at 31 December 2019 was US\$1,162,000 (31 December 2018: US\$1,123,000), using a net asset valuation with a market discount.

Significant unobservable inputs used in this fair value measurement are as follows:

	31 December 2019	31 December 2018
Market price of land bank	VND11 million/sqm to VND29 million/sqm	VND11 million/sqm to VND29 million/sqm
Discount rate	8.6%	10.3%
Market discount	25%	25%

Sensitivity analysis to significant changes in unobservable inputs used in the fair value measurement:

Input	Sensitivity used *	Effect on fair value	
		31 December 2019	31 December 2018
		US\$'000	US\$'000
Market price of land bank	10% increase	15	15
	10% decrease	(15)	(15)
Discount rate	2% increase	(104)	(88)
	2% decrease	161	120
Market discount	10% increase	(155)	(150)
	10% decrease	155	150

* The sensitivity analysis refers to a percentage amount added or deducted from the input and the effect this has on the fair value

The valuation of the holding of shares in a telecommunications company was marked down to US\$1 as at 31 December 2013 and is unchanged during the year ended 31 December 2019.

No interrelationships between unobservable inputs used in the Fund's valuation of its Level 3 equity investments have been identified.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

5. FAIR VALUE ESTIMATION (CONTINUED)

Financial instruments in Level 3 (continued)

Movement

The following table presents the movement in Level 3 instruments, all of which are in the equity securities class of financial instrument.

	2019	2018
	US\$'000	US\$'000
Opening balance	1,123	1,070
Total gains recognised in profit or loss, included in "Net gains/(losses) on financial assets at fair value through profit or loss"	38	76
Total gains/(losses) recognised in other comprehensive income/(loss), included in "Currency translation differences"	1	(23)
Closing balance	1,162	1,123
Change in unrealised gains or losses for Level 3 assets held at the year-end and included in "Net gains/(losses) on financial assets at fair value through profit or loss"	38	76

6. FINANCIAL INSTRUMENTS BY CATEGORY

	Assets at fair value through profit or loss	Measured at amortised cost	Total
	US\$'000	US\$'000	US\$'000
Assets as per statement of financial position			
31 December 2019			
Financial assets at fair value through profit or loss	73,825	-	73,825
Other receivables	-	555	555
Cash and cash equivalents	-	838	838
Total	73,825	1,393	75,218
31 December 2018			
Financial assets at fair value through profit or loss	90,738	-	90,738
Other receivables	-	375	375
Cash and cash equivalents	-	385	385
Total	90,738	760	91,498

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

6. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

Liabilities as per statement of financial position

Net assets attributable to participating shareholders are classified as financial liabilities at fair value through profit or loss.

All other financial liabilities in the statements of financial position at 31 December 2019 and 31 December 2018 were classified as subsequently measured at amortised cost.

7. CASH AND CASH EQUIVALENTS

	31 December 2019	31 December 2018
	US\$'000	US\$'000
Current account in VND	523	315
Current account in US\$	315	70
	838	385

8. SHARE CAPITAL

The Fund's authorised share capital at 31 December 2019 and at 31 December 2018 is US\$2,000,000 which is divided into 39,998,000 participating shares of a par value of US\$0.05 each and 100 management shares of US\$1 each.

8.1 Participating shares

	Number of issued shares	Net assets attributable to participating shareholders
		US\$'000
As at 31 December 2019	8,148,347	75,093
As at 31 December 2018	9,709,767	88,610

The participating shares are redeemable on the terms set out in the Prospectus, which include the ability of the Fund to limit cash redemptions in specified circumstances. The participating shares do not carry a right to vote; they carry rights to dividends and rights to share in any surplus assets in a winding-up before the return of nominal capital paid up on the management shares.

All issued participating shares are fully paid.

To ensure the equitable allocation of performance fee (if applicable) between participating shares, the Fund issues a new series of shares each time there is a subscription. Performance fee (if applicable) is charged to each series separately. If a performance fee is payable on more than one series in respect to a financial year, every series on which a performance fee is payable in respect to that financial year will be consolidated into the Lead Series or the earliest issued series on which a performance fee is payable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

8. SHARE CAPITAL (CONTINUED)

8.2 Management shares

	Number of issued shares	Amount paid-up
		US\$
Balance at 31 December 2019 and at 31 December 2018	100	100

The management shares have been issued to PXP Vietnam Asset Management Limited, the Investment Manager, for the purpose of enabling all the shares to be redeemed without liquidating the Fund and to enable the Investment Manager to vote on issues affecting the Fund which require the vote of shareholders, but to not materially effect or prejudice the rights attaching to the participating shares. The management shares are not redeemable, do not carry any rights to dividends, and on a winding-up rank only for a return of paid up nominal capital *pari passu* out of the assets of the Fund after the return of nominal capital paid up on the participating shares. The management shares were fully paid as at 31 December 2018 and as at 31 December 2019.

9. NET ASSET VALUE PER SHARE

	31 December 2019	31 December 2018
Net assets attributable to participating shareholders (US\$)	75,093,000	88,610,000
Number of shares in issue (Note 8)	8,148,347	9,709,767
Net asset value per share (US\$ per share) (average)	9.216	9.126

The average net asset value per share is determined by dividing the net assets attributable to participating shareholders by the number of participating shares issued and outstanding at the reporting date.

Net asset value per share for each series in issue at the reporting date:

	31 December 2019	31 December 2018
	US\$	US\$
Series 1 (Lead Series)	9.144	9.063
Series 1A	10.026	9.937
Series 1B	10.025	9.937
Series 39, 46, 48 *	-	9.063
Series 40, 41, 43, 45, 47, 49, 50	9.144	9.063
Series 42	9.143	9.063
Series 44	9.145	9.064
Series 51, 52, 53, 54	9.144	-

* These series were fully redeemed during 2019.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

10. RELATED PARTIES TRANSACTIONS

10.1 Investment Manager

The Fund is managed by the Investment Manager, PXP Vietnam Asset Management Limited, a company incorporated with limited liability under the laws of the British Virgin Islands.

Fees

The Fund pays to the Investment Manager a monthly management fee of one-twelfth of 1.5% of the net asset value of the Fund, which is payable monthly in advance and is calculated by reference to the valuation day at the end of the preceding month. When there is a mid-month dealing in a month, the management fee is calculated separately for each half month period. Total management fee to the Investment Manager for the year ended 31 December 2019 was US\$1,217,746 (2018: US\$1,837,226) and the outstanding fee payable at 31 December 2019 was nil (31 December 2018: US\$765,063).

The Investment Manager is also entitled to receive an annual performance fee (15%) for increases in the net asset value per share subject to adjustments for the “high water mark” so that any losses from prior periods must be recouped before a performance fee is earned and a hurdle rate of 8% per annum which is applied to the higher of the opening net asset value or high water mark for each share at the start of each year.

Total performance fee to the Investment Manager for the year ended 31 December 2019 was nil.

Movement in performance fee payable for the year ended 31 December 2018:

	2018
	US\$'000
Opening balance	7,602
Performance fee payable	312
Performance fee paid	(1,914)
Performance fee reinvested	(6,000)
Closing balance	-

The Investment Manager reinvested US\$2,000,000 performance fee payable as a subscription into the Fund for the issue of 220,677.48 participating shares in January 2019. This was instructed in December 2018 and was treated as a subscription in advance as at 31 December 2018.

In 2018, the Investment Manager reinvested US\$2,000,000 performance fee payable as a subscription into the Fund for the issue of 178,794.92 participating shares in May 2018 and reinvested US\$2,000,000 performance fee payable as a subscription into the Fund for the issue of 211,483.56 participating shares in July 2018.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

10. RELATED PARTIES TRANSACTIONS (CONTINUED)

10.1 Investment Manager (continued)

Shares

Movements in combined beneficial interests in the Fund's participating shares held by the Investment Manager and the owners of the ultimate holding company of the Investment Manager, Mr Kevin Snowball and Ms Joelle Daumas-Snowball:

	2019	2018
	Number of shares	Number of shares
Opening balance	1,117,383	1,077,104
Participating shares acquired	220,677	390,279
Participating shares redeemed	-	(350,000)
Closing balance	1,338,060	1,117,383

10.2 Directors

Remuneration

The Board of Directors of the Fund determines the fees payable to each director, subject to a maximum aggregate amount per annum payable to the Board as a whole, as set out in the Prospectus of the Fund, which is currently US\$120,000.

The total directors' remuneration for the year ended 31 December 2019 was US\$105,000 (2018: US\$105,000) and the outstanding directors' fees payable as at 31 December 2019 was US\$105,000 (31 December 2018: US\$105,000).

Shares

A trust of which Philip Smiley's family members are the principal beneficiaries holds 44,232.03 participating shares in the Fund as at 31 December 2019.

Simon Raybould holds 25,668.55 participating shares in the Fund as at 31 December 2019.

At no time during the year did any Director have any other direct or indirect interest in the shares of the Fund.

11. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

11.1 Introduction

The Fund invests in equity securities for the long term so as to achieve its investment objective, as set out in the Directors' Report. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to investment limits and other controls. The Fund is exposed to market risk (which includes price risk, currency risk and interest rate risk), credit risk and liquidity risk arising from the financial instruments it holds.

The maximum risk arising from financial instruments equals their fair value. The Fund does not engage in short selling.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

11. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

11.2 Risk management structure

The Board has established an ongoing process for risk management, with the Fund's Investment Manager responsible to identify, evaluate and manage the principal risks affecting the Fund. The Investment Manager performs a risk assessment which is updated and reported to the Board at least on an annual basis. The Investment Manager provides a regular report to the Board on compliance matters and internal control.

11.3 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as equity securities prices, foreign exchange rates and interest rates.

(a) Price risk

Price risk is the risk that the value of a financial asset will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual assets or factors affecting all assets in the market.

The Fund is exposed to market price risk on all of its investments. Currently most of the investments of the Fund are in equity securities of listed Vietnamese companies, resulting in a concentration of market price risk as the value of the financial assets of the Fund are particularly heavily dependent on the performance of the Vietnam stock exchanges.

The Vietnam stock markets may be impacted by global market factors and by geopolitical risks, including the possibility of maritime disputes with China.

The Fund attempts to limit its risks through portfolio diversification, and has adopted a range of appropriate investment restrictions and policies, including the Fund may not invest more than 20% of the net asset value in any single investee company at the time of investment. The current intention is to invest no more than 40% of the Fund's assets at the time of investment in any one sector.

Analysis of financial assets at fair value through profit or loss by industrial sector:

	31 December 2019		31 December 2018	
	US\$'000	%	US\$'000	%
Financials	22,009	29.8	23,127	25.5
Materials	14,704	19.9	21,346	23.5
Information technology	13,057	17.7	12,274	13.6
Consumer staples	9,820	13.3	13,823	15.2
Industrials	5,269	7.2	10,708	11.8
Consumer discretionary	5,265	7.1	4,897	5.4
Real estate	3,173	4.3	2,807	3.1
Utilities	457	0.6	560	0.6
Energy	71	0.1	1,196	1.3
	73,825	100.0	90,738	100.0

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

11. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

11.3 Market risk (continued)

(a) Price risk (continued)

As at 31 December 2019, the Fund has four holdings with value exceeding 10% of the net asset value of the Fund, as follows:

	% of net asset value	
	31 December 2019	31 December 2018
<i>Sector of issuer</i>		
Financials	19.8%	17.6%
Information technology	17.4%	13.9%
Materials	15.6%	19.6%
Consumer staples	13.1%	15.6%

Sensitivity analysis

The following table summarises the sensitivity of the Fund's net assets and average NAV per share to movements in the VNI, which is the capitalisation-weighted index comprising the listed shares of every company listed on the Ho Chi Minh City Stock Exchange, as at 31 December 2019. The historical beta of the Fund's equity portfolio with upward movements in the VNI is 0.97 (31 December 2018: 0.88) of the index gain and 0.67 (31 December 2018: 0.59) of downward movements in the index. Based on the assumption that the fair value of the Fund's portfolio of equity securities moved according to its historical correlation with the VNI, a 20% increase and a 20% decrease in the VNI with all other variables held constant would have the following effect:

	31 December 2019		31 December 2018	
	Net assets/ Profit or loss	NAV per share	Net assets/ Profit or loss	NAV per share
	US\$'000	US\$	US\$'000	US\$
Effect of a 20% increase in the VNI	14,568	1.79	15,970	1.64
Effect of a 20% decrease in the VNI	(10,062)	(1.23)	(10,707)	(1.10)

The Investment Manager uses the VNI as a reference point. However, the Investment Manager does not manage the Fund's investment strategy to track the VNI or any other index or external benchmark. The sensitivity analysis presented is based upon the historical correlation of the Fund's investment portfolio to the VNI. The composition of the Fund's investment portfolio and the correlation to the VNI can be expected to change over time. The sensitivity analysis prepared as at 31 December 2019 is not necessarily indicative of the effect on the Fund's net assets and NAV per share of future movements in the VNI.

(b) Foreign currency risk

Foreign currency risk is the risk that the value of financial assets or liabilities will fluctuate due to changes in foreign exchange rates. To the extent that the Fund may hold assets and liabilities that are denominated in a currency other than the functional currency, the value of the Fund's assets and liabilities may be affected favourably or unfavourably by fluctuations in currency rates. The Investment Manager monitors the exposure on all foreign currency denominated assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

11. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

11.3 Market risk (continued)

(b) Foreign currency risk (continued)

Sensitivity analysis

The following table indicates the foreign currency to which the Fund had significant exposure at 31 December on its monetary financial assets and liabilities. The analysis calculates the effect of a reasonably possible movement of the currency rate against the Dong on an increase or decrease in net assets attributable to shareholders with all other variables held constant.

	Change in currency rate	Effect on net assets attributable to shareholders (relates to monetary financial assets and liabilities)	
		2019	2018
	%	US\$'000	US\$'000
US dollar	+3	5	(25)

The following table indicates the foreign currency to which the Fund had significant exposure at 31 December on both its monetary and non-monetary financial assets and liabilities. The analysis calculates the effect of a reasonably possible movement of the currency rate against the Dong on an increase or decrease in net assets attributable to shareholders with all over variables held constant.

	Change in currency rate	Effect on net assets attributable to shareholders (relates to both monetary and non-monetary financial assets and liabilities)	
		2019	2018
	%	US\$'000	US\$'000
US dollar	+3	111	78

An equivalent decrease in the above mentioned currency against the Dong would have resulted in an equivalent but opposite impact.

The table on the following page sets out the Fund's exposure to foreign currency exchange rates on monetary financial assets and liabilities and total financial assets and liabilities at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

11. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

11.3 Market risk (continued)

(b) Foreign currency risk (continued)

Concentration of foreign currency exposure

	31 December 2019	31 December 2018
% of total monetary financial assets		
US dollar	23.6%	11.0%
% of total monetary financial liabilities		
US dollar	100.0%	100.0%
% of total financial assets		
US dollar	5.1%	3.8%
% of total financial liabilities		
US dollar	100.0%	100.0%

Conversion risk

The majority of the Fund's investments are denominated in Dong and pay dividends in Dong. Shareholders' investments in the Fund are made in US dollar, and the Fund converts such US dollar into Dong prior to making investments. The Fund may need to convert Dong to a foreign currency to make distributions, if any, to shareholders or to settle redemptions of participating shares, but the Dong currently is not a freely convertible currency. There have been occasions in the past when there was limited availability of hard currency in the Vietnam banking system, and this situation may recur. The most recent such period ended in the first half of 2011. It is possible that the Fund may have difficulty accomplishing the conversion of Dong into foreign currencies, or such conversion may only be possible at exchange rate levels at which the Fund will suffer considerable exchange losses. Any delay in conversion increases the Fund's exposure to devaluation of the Dong against other currencies. If conversion is not effected at all, some of the Fund's assets may be denominated in a non-convertible currency.

(c) Interest rate risk

Interest rate risk is the risk that the value of interest-bearing assets will fluctuate in value as a result of changes in interest rates.

The majority of the Fund's financial assets are non-interest bearing. As a result, the Fund does not have direct exposure to a significant amount of risk due to fluctuations in the prevailing level of market interest rates. The Fund may be indirectly affected by the impact of interest rate changes on the earnings of certain companies in which the Fund invests. The investment research team of the Investment Manager incorporates exposure to interest rate changes in its valuation models for investee companies when appropriate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

11. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

11.4 Credit risk

The Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. For transactions of listed securities in Vietnam, the risk of default is considered minimal as it is a pre-funding market. The availability of cash for a buy trade or securities for a sell trade is confirmed to the relevant broker by the custodian bank before trade execution. Securities are settled through the Vietnam Securities Depository and the cash settlement is outsourced to a Vietnamese State-owned bank.

The bank accounts of the Fund are held at the Hong Kong branch of a Singapore bank that has a Standard & Poor's rating of short-term A-1+, long-term AA- and outlook stable as at 31 December 2019 and 31 December 2018, and in the Vietnam subsidiary of a United Kingdom bank which does not have a separate credit rating.

None of the financial assets held by the Fund as at 31 December 2019 and as at 31 December 2018 was either past due or impaired at the reporting date.

11.5 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Participating shares

The Fund is exposed to the possibility of regular cash redemptions of shares. Shares are redeemable on a twice-monthly basis. Substantial withdrawals by investors within a short period of time could require the Fund to liquidate investments more rapidly than would otherwise be desirable, possibly reducing the value of the Fund's assets and/or disrupting the Fund's investment strategy.

In order to manage the Fund's overall liquidity, there is a notice period for redemptions, which is 10 business days. Furthermore, if required, the maximum net redemption on each dealing day will be restricted to the average daily turnover at the Ho Chi Minh City Stock Exchange of the 10 business days preceding that dealing day.

The policy of the Fund is to invest the majority of its assets in investments that are traded in an active market and can be readily disposed. Investments in prelisting equity investments are restricted to no more than 10% of the Fund's assets at the time of investment.

Financial assets

For all purchases of listed securities in Vietnam, as it is a pre-funding market, the Fund will have sufficient cash available before trade execution to settle the liability.

When making investments in prelisting companies, the intention of the Fund is that liquidity will be provided by the subsequent listing of the shares of the prelisting company. However, the length of time before a prelisting company completes a listing of its shares usually cannot be forecasted accurately at the time of investment, and it is possible that in certain cases the prelisting company does not accomplish a listing and the Fund will be holding a relatively illiquid investment.

Financial liabilities

The table on the following page analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

11. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

11.5 Liquidity risk (continued)

Financial liabilities (continued)

	Less than one month	One month to 12 months	Total
	US\$'000	US\$'000	US\$'000
31 December 2019			
Accrued fees and other payables	15	132	147
Contractual cash out flows	15	132	147
31 December 2018			
Management fee payable	765	-	765
Accrued fees and other payables	14	131	145
Contractual cash out flows	779	131	910

If it was required, the Fund could sell listed equity securities to raise sufficient cash in less than five days to settle outstanding financial liabilities as presented above.

11.6 Capital risk management

The capital of the Fund is represented by the net assets attributable to shareholders. The amount of net assets attributable to holders of participating shares could change significantly on a monthly basis as the Fund is subject to redemptions at the discretion of shareholders.

The Fund is not subject to externally imposed capital requirements. As the Fund is registered under Section 4(3) of The Mutual Funds Law of the Cayman Islands, there is a minimum size of initial subscription that can be accepted from new shareholders, which is set out in the Prospectus as US\$250,000 with the Directors having discretion to accept a lesser amount providing it is not lower than US\$100,000. The Fund has no other legal restrictions on the issue or redemption of participating shares beyond those included in the Fund's Articles and Prospectus.

The Fund's objectives when managing capital are:

- To invest the capital in investments meeting the investment policies and within the investment restrictions as set out in the Prospectus;
- To achieve superior returns and generate value for shareholders of the Fund over the longer term; and
- To maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise.

In order to maintain or adjust the capital structure, the Fund's policy is to perform the following:

- Monitor the level of redemptions relative to the assets it expects to be able to liquidate within the redemption notice period; and
- Redeem shares in accordance with the Prospectus of the Fund, which includes the ability to restrict redemptions in specified circumstances.

The Board of Directors and Investment Manager monitor capital on the basis of the value of net assets attributable to shareholders.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

12. EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

Closure of the Fund

The Investment Manager has on 12 March 2020, considering the level of AUM, recommended to the Board of Directors of the Fund to close the Fund by selling the whole portfolio and to redeem all of the participating shares of the Fund. However, the closure was postponed until such time as the Vietnam stock markets recover significantly from the downturn from March 2020 associated with the global spread of COVID-19.

On 20 May 2020, as per an internal discussion, the Board of Directors noted that the Vietnam stock markets had rebounded from the lows of March 2020 and the Net Asset Value per share of the Lead Series of the Fund (the "NAV") as estimated by the Investment Manager was 5% below the NAV as at 31 December 2019. The Board resolved that the plan to close the Fund should proceed, subject to the final NAV on which the redemption is based being at a level not less than 90% of the 31 December 2019 NAV, and that the Investment Manager be instructed to seek and secure buyers for the whole portfolio of the Fund.

On 1 June 2020, the Board of Director's resolution on approval to proceed with the plan to close the fund was issued.

COVID-19 pandemic

The impact of the COVID-19 pandemic on the Vietnam stock markets resulted in the NAV of the Fund falling by 27.0% during March 2020. As at 31 March 2020, the NAV per share of the Lead Series was US\$6.097, a fall of 33.3% for the year-to-date. By the end of May 2020, the NAV per share of the Lead Series recovered to US\$8.841, representing a fall of 3.3% for the year-to-date. This is a non-adjusting event after the reporting period.

Except for the events above, there were no other significant events occurring after the statement of financial position date which would require adjustments or disclosures to be made in the financial statements.

13. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements as at and for the year ended 31 December 2019 were approved by the Board of Directors of the Fund on 11 June 2020.

FULL PORTFOLIO LISTING AS AT 31 DECEMBER 2019

	Valuation	% of NAV
	US\$'000	%
Ho Chi Minh City Securities Corporation	14,856	19.8
FPT Corporation	13,057	17.4
Hoa Phat Group JSC	11,720	15.6
Viet Nam Dairy Products JSC (Vinamilk)	9,820	13.1
Danang Rubber JSC	4,902	6.5
PXP Vietnam Smaller Companies Fund Limited *	3,525	4.7
Vietnam Container Shipping JSC	2,744	3.7
Nui Nho Stone JSC	2,247	3.0
Coteccons Construction JSC	1,951	2.6
Viet Capital Securities JSC	1,722	2.3
Thu Duc Housing Development Corporation	1,364	1.8
SSG Group JSC *	1,162	1.5
Sai Gon Thuong Tin Commercial Joint Stock Bank (Sacombank)	960	1.3
VNDirect Securities Corporation	946	1.3
Dong Phu Rubber JSC	652	0.9
Kinh Bac City Development Share Holding Corporation	647	0.9
Can Don Hydro Power JSC	457	0.6
Tien Phong Plastic JSC	398	0.5
Savimex Corporation	262	0.3
Fecon Corporation	104	0.1
The Southern Rubber Industry JSC	84	0.1
Hoa Binh Rubber JSC	84	0.1
Petrovietnam Drilling and Well Services Corporation	71	0.1
Petrovietnam General Services Corporation	46	0.1
Airports Corporation of Viet Nam	26	0.0
Binh Thanh Import-Export Production and Trade JSC	18	0.0
Saigon Posts & Telecommunications Services JSC *	-	0.0
Total holdings	73,825	98.3
Cash and other net assets/(liabilities)	1,268	1.7
	75,093	100.0

* Unlisted holding

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