

**Eastspring Investments Fund Management  
Limited Liability Company**

Financial Safety Ratio Report

30 June 2024



# Eastspring Investments Fund Management Limited Liability Company

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# Eastspring Investments Fund Management Limited Liability Company

## GENERAL INFORMATION

### THE COMPANY

Eastspring Investments Fund Management Limited Liability Company ("the Company") is a limited liability company established pursuant to Decision No. 03/UBCK-GPHDQLQ issued by the State Securities Commission on 26 May 2005 and the latest amended decision No. 106/GPDC-UBCK dated 3 November 2022 and Certificate of Business Registration No. 0303827455 issued by Department of Planning and Investment of Ho Chi Minh City on 12 December 2022.

On 23 March 2012, the State Securities Commission issued Business License No. 51/GP-UBCK which allows the Company to provide portfolio management services. On 26 March 2013, the State Securities Commission issued Amendment License No. 08/GPDC-UBCK to supplement securities advisory services to the Company's existing business licenses.

The Company's sole owner is Prudential Vietnam Assurance Private Limited, a 100% foreign-owned enterprise incorporated under the Law on Enterprise of Vietnam pursuant to Investment License No. 2138/GP issued by the Ministry of Planning and Investment on 29 October 1999 and and the following amended Investment License No. 2138/GPDC1 on 25 October 2002. The parent company received License of Establishment and Operation No. 15 GP/KDBH issued by the Ministry of Finance on 15 November 2004 and the latest Amendment License No. 15/GPDC8/KDBH dated 14 May 2021.

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

The Company's head office is located at 23<sup>rd</sup> Floor, Saigon Trade Center, 37 Ton Duc Thang Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.

### MEMBERS' COUNCIL

Members of the Members' Council during the period and at the date of this report are:

<u>Name</u>	<u>Position</u>	<u>Date of appointment/resignment</u>
Mr Faizal Gaffoor	Chairman	Appointed on 28 April 2023
Mr Ngo The Trieu	Member	Appointed on 15 June 2018
Mr Phuong Tien Minh	Member	Appointed on 22 June 2020

### MANAGEMENT

Chief Executive Officer during the period and at the date of this report is Mr. Ngo The Trieu, appointed on 15 June 2018 and re-appointed on 15 June 2023.

### LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr. Ngo The Trieu - Chief Executive Officer.

### AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

# Eastspring Investments Fund Management Limited Liability Company

## REPORT OF THE MANAGEMENT

Management of Eastspring Investments Fund Management Limited Liability Company ("the Company") is pleased to present this report and the financial safety ratio report of the Company as at 30 June 2024.

### MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL SAFETY RATIO REPORT

Management of the Company confirmed that he has complied with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance on financial safety ratios and remedies applicable to securities trading companies that fail to meet the stipulated financial safety ratios ("Circular 91") and Note 2.1 to the financial safety ratio report for preparation and presentation of the financial safety ratio report as at 30 June 2024.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in his opinion, the accompanying financial safety ratio report is prepared and presented in accordance with Circular 91 and Note 2.1 to the financial safety ratio report.



  
Mr. Ngo The Trieu  
Chief Executive Officer

Ho Chi Minh City, Vietnam

14 August 2024

Reference: 13426425/67866416-ATTC-SX

## REPORT ON REVIEW OF FINANCIAL SAFETY RATIO REPORT

**To: The Owner of Eastspring Investments Fund Management Limited Liability Company**

We have reviewed the accompanying financial safety ratio report of Eastspring Investments Fund Management Limited Liability Company ("the Company") as at 30 June 2024 as prepared on 14 August 2024 and set out on pages 5 to 24. The financial safety ratio report has been prepared by the Company's management in accordance with regulations of Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance on financial safety ratios and remedies applicable to securities companies that fail to meet the stipulated financial safety ratios ("Circular 91") and Note 2.1 to the financial safety ratio report.

### ***Management's Responsibility***

The Company's management is responsible for the preparation and presentation of the financial safety ratio report in accordance with the regulations of Circular 91 and Note 2.1 to the financial safety ratio report and for such internal control as the management determines is necessary to enable the preparation and presentation of the financial safety ratio report that is free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on the financial safety ratio report based on our review. We conducted our review in accordance with Vietnamese Standards on Review Engagement 2410 - Review of interim financial information performed by the independent auditor of the entity, which applies to a review of historical financial information performed by the independent auditor of the entity.

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

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial safety ratio report, in all material respects, was not prepared and presented in accordance with the regulations of Circular 91 and Note 2.1 to the financial safety ratio report.

### **Basis of preparation and restriction on use**

We draw attention to Note 2.1 and Note 3 to the financial safety ratio report, which describes the applicable regulations, interpretations and policies to the preparation of the financial safety ratio report. Also as described in Note 2.2, the financial safety ratio report is prepared to comply with regulations on the preparation and disclosure of information on the financial safety ratio report of the Company. As a result, this report may not be suitable for other purposes.

**Ernst & Young Vietnam Limited**



Saman Wisaya Bandara  
Deputy General Director  
Audit Practicing Registration  
Certificate No. 2036-2023-004-1

Ho Chi Minh City, Vietnam

14 August 2024

To: The State Securities Commission

## FINANCIAL SAFETY RATIO REPORT

As at 30 June 2024

We hereby confirm that:

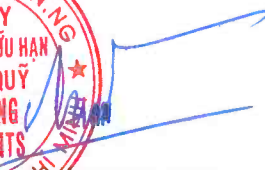
- (1) The report is prepared on the basis of updated data at the reporting date and in accordance with Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance on financial safety ratios and remedies applicable to securities trading companies that fail to meet the stipulated financial safety ratios;
- (2) Subsequent events after the date of this report that can have effects on the financial position of the Company will be updated in the next reporting period;
- (3) We bear full legal responsibility for the accuracy and truthfulness of the contents of our report.



Ms. Le Minh Thuy  
Chief Accountant



Mr. Tran Vu Duy  
Head of Internal control



Mr. Ngo The Trieu  
Chief Executive Officer

Ho Chi Minh City, Vietnam

14 August 2024

# Eastspring Investments Fund Management Limited Liability Company

FINANCIAL SAFETY RATIO REPORT  
as at 30 June 2024

## SUMMARY OF RISK EXPOSURES AND LIQUID CAPITAL

No.	Criteria	Notes	Exposures to risk/ Liquid capital VND'000
1	Total exposures to market risk	5	-
2	Total exposures to settlement risk	6	29,326,014
3	Total exposures to operational risk	7	27,184,656
4	<b>Total exposures to risk (4=1+2+3)</b>		<b>56,510,670</b>
5	<b>Liquid capital</b>	<b>4</b>	<b>358,547,357</b>
6	<b>Liquid capital ratio (6=5/4)</b>		<b>634.48%</b>



Ms. Le Minh Thuy  
Chief Accountant



Mr. Tran Vu Duy  
Head of Internal control



Mr. Ngo The Trieu  
Chief Executive Officer

Ho Chi Minh City, Vietnam

14 August 2024



# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT  
as at 30 June 2024

## 1. THE COMPANY

Eastspring Investments Fund Management Limited Liability Company ("the Company") is a limited liability company established pursuant to Decision No. 03/UBCK-GPHDQLQ issued by the State Securities Commission on 26 May 2005 and the latest amended decision No. 106/GPDC-UBCK dated 3 November 2022 and Certificate of Business Registration No. 0303827455 issued by Department of Planning and Investment of Ho Chi Minh City on 12 December 2022.

On 23 March 2012, the State Securities Commission issued Business License No. 51/GP-UBCK which allows the Company to provide portfolio management services. On 26 March 2013, the State Securities Commission issued Amendment License No. 08/GPDC-UBCK to supplement securities advisory services to the Company's existing business licenses.

The Company's sole owner is Prudential Vietnam Assurance Private Limited, a 100% foreign-owned enterprise incorporated under the Law on Enterprise of Vietnam pursuant to Investment License No. 2138/GP issued by the Ministry of Planning and Investment on 29 October 1999 and and the following amended Investment License No. 2138/GPDC1 on 25 October 2002. The parent company received License of Establishment and Operation No. 15 GP/KDBH issued by the Ministry of Finance on 15 November 2004 and the latest Amendment License No. 15/GPDC8/KDBH dated 14 May 2021.

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

The Company's head office is located at 23<sup>rd</sup> Floor, Saigon Trade Center, 37 Ton Duc Thang Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.

As at 30 June 2024, the Company had 25 employees (31 December 2023: 25 employees) of which 1 is management personnel and 11 employees who were qualified for fund and assets management, 2 employee who were qualified for financial analysis and 1 employee who had securities brokerage practicing license.

## 2. BASIS OF PREPARATION OF THE FINANCIAL SAFETY RATIO REPORT

### 2.1 *The applicable regulations*

The financial safety ratio report of the Company is prepared in accordance with Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance on financial safety ratios and remedies applicable to securities companies that fail to meet the stipulated financial safety ratios ("Circular 91"). The financial safety ratio report is prepared based on the financial figures of the Company at the reporting date.

### 2.2 *Purpose of preparation*

The financial safety ratio report is prepared to comply with the regulations on the preparation and disclosure of the Company's financial safety ratio report and not be suitable for other purposes.

### 2.3 *Reporting currency*

The financial safety ratio report are prepared in the Company's accounting currency of Vietnam Dong ("VND"), which is also the currency used for the financial safety ratio report presentation purpose, rounded to the nearest thousand ("VND'000).

### 2.4 *Changes in accounting policies and disclosures*

The accounting policies adopted by the Company in preparation of the financial safety ratio report are consistent with those followed in the preparation of the Company's annual financial safety ratio report for the year ended 31 December 2023 and the financial safety ratio report for the six-month period ended 30 June 2023.

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT

### 3.1 *Liquid capital ratio*

Liquid capital ratio of the Company is determined using the formula specified in Circular 91 as follows:

$$\text{Liquid Capital ratio} = \frac{\text{Liquid Capital} \times 100\%}{\text{Total exposures to risks}}$$

In which: total exposures to risks are the sum of exposures to market risk, exposures to settlement risk and exposures to operational risk.

### 3.2 *Liquid Capital*

As stipulated in Circular 91, the Company's liquid capital is the total equity that can be converted into cash within ninety (90) days. In particular:

- ▶ Treasury shares (if any);
- ▶ Owners' equity, excluding of redeemable preferred shares (if any);
- ▶ Share premium excluding of redeemable preferred shares (if any);
- ▶ Supplementary capital reserve;
- ▶ Investment and development fund (if any);
- ▶ Financial and occupational risk reserve;
- ▶ Other reserves belonging to owners' equity in accordance with legal regulations;
- ▶ Undistributed profit after tax;
- ▶ Provision for asset impairments;
- ▶ Fifty percent (50%) of the increased in value of revaluated fixed assets in accordance with prevailing regulations (in case of increased revaluation), or minus the decreased in value (in case of decreased revaluation);
- ▶ Differences in foreign exchange;
- ▶ Decreases to liquid capital under Article 6, Circular 91 (Note 3.2.1);
- ▶ Increases to liquid capital under Article 7, Circular 91 (Note 3.2.2); and
- ▶ Other capital (if any).

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.2 *Liquid Capital* (continued)

The Company's liquid capital is adjusted (i.e. increased/decreased) for the following items:

#### 3.2.1 *Decreases to liquid capital*

The Company's liquid capital is decreased due to the following items:

- ▶ Total decreased value of investments, excluding the securities issued by the Company's related parties as well as the securities restricted to transfer with the remaining restriction period of more than 90 days as from the date of financial safety ratio report under Clause 5, Article 6, Circular 91 on the basis of the difference between carrying value and market value under Circular 91;
- ▶ Short-term assets, excludes those expose to market risk under Clause 2 Article 9, Circular 91, provision for investment, provision for bad debt and the contracts and transactions mentioned in Point k, Clause 1, Article 10 of Circular 91: prepaid expenses, receivables and advances with the remaining recovery period or settlement period of more than 90 days, and other short-term assets;
- ▶ Long-term assets, excludes those expose to market risk under Clause 2 Article 9, Circular 91, provision for investment, provision for bad debt and the contracts and transactions mentioned in Point k, Clause 1, Article 10 of this Circular; and
- ▶ The modified, adverse or disclaimed items (if any) on the audited or reviewed financial statements has not yet excluded from liquid capital under Points a and b of Clause 2, Article 6, Circular 91.
- ▶ Securities issued be the Company's related parties in the following cases:
  - The parent company, subsidiaries of the Company;
  - Subsidiaries of the Company's parent company.
- ▶ Securities restricted to transfer with the remaining restricted period of more than 90 days as from the calculation date.

For items used to reduce liquid capital which are collaterals for the company or third parties' obligations, when determining the adjustments to decrease from the liquid capital, the value is reduced by an amount equal to the minimum of:

- ▶ Market value of items used to reduce liquid capital valued according to Appendix II of Circular 91;
- ▶ Book value of items used to reduce liquid capital;
- ▶ Residual value of obligation.

For items used to reduce liquid capital which are secured by assets of the client, when determining the adjustments to decrease from the liquid capital, the value is reduced by an amount equal to the minimum of:

- ▶ Value of assets used as collaterals for items used to reduce liquid capital are calculated according to Clause 6, Article 10 of Circular 91:

Market value of collaterals assets is determined by volume of collaterals \* Asset price \* (1 - Market risk coefficient); Value of assets are calculated according to Appendix II of Circular 91;

- ▶ Book value.

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.2 *Liquid Capital* (continued)

#### 3.2.2 *Increases to Liquid Capital*

The Company's liquid capital is increased due to the following items:

- ▶ Total surplus value of investments, financial assets recorded on carrying value, excluding the securities issued by the Company's related parties as well as securities restricted to transfer with the remaining restriction period of more than 90 days as from the date of calculation of the financial safety ratio under Clause 7, Article 5 and Clause 5, Article 6 of Circular 91 on the basis of the difference between carrying value and market value according to Appendix II of Circular 91;
- ▶ Convertible debts of the Company, including: convertible bonds and other debt instruments registered with the State Securities Commission to increase liquid capital and satisfy all requirements under Clause 2, Article 7 of Circular 91; and
- ▶ The value of items under Points a and b of Clause 2, Article 7 of Circular 91 reduced gradually as follows: Regarding convertible debts and debts registered to supplement the Company's liquid capital with the State Securities Commission, the Company deducts 20% of their original value each year during the last five (5) years prior to maturity/conversion into common shares and deducts 25% of residual value quarterly during the last four (4) quarters prior to maturity/conversion into common shares.
- ▶ The maximum value of items used to supplement liquid capital is 50% of the Company's owners' equity.

### 3.3 *Exposures to market risk*

Exposures to market risk are the potential losses which may occur when the market value of the Company's assets fluctuates in a negative trend. Exposures to market risk for the Company's assets include cash and cash equivalent, money market instruments, bonds, shares, and funds/shares of securities investment companies that are determined by the Company at the end of the transaction day using the following formula:

$$\text{Exposures to market risk} = \text{Net position} \times \text{Asset price} \times \text{Market risk coefficient}$$

In particular, net position is the net volume of securities held by the Company at the reporting date, after being deducted by the number of securities lent, number of securities hedged by put warrants, futures contracts and increased by the number of securities borrowed in accordance with prevailing regulations.

Exposures to market risk are not calculated for the below assets:

- ▶ Treasury shares;
- ▶ Securities issued by the Company's related parties in the following cases:
  - Parent company, subsidiaries of the Company;
  - Subsidiaries of the Company's parent company;
- ▶ Securities with residual transfer restriction period of over ninety (90) days from the date of calculation;
- ▶ Bonds, debt instruments and valuable papers in the monetary market which have been due.
- ▶ Securities which are hedged by selling options or future contracts, selling options and selling option contracts are used to prevent based securities.

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.3 Exposures to market risk (continued)

#### 3.3.1 Market risk coefficient

Market risk coefficient is determined for each item of assets as specified in Appendix I of Circular 91.

#### 3.3.2 Asset price

*Cash and cash equivalents, money market instruments*

Value of cash in VND is the cash balance at the calculation date. Value of cash in foreign currencies is the equivalent in VND using the exchange rate published by credit institutions which are allowed to conduct foreign currencies trading at the calculation date.

Value of cash equivalent and money market instruments is the amount deposited or acquisition cost plus accrued interest using the effective interest rate as at the calculation date.

#### 3.3.3 Adjustment to increase the exposures to market risk

Except for the securities under firm commitment issuance underwriting contract, Government bonds and bonds guaranteed by the Government, exposures to market risk of an asset will be adjusted to increase if the Company makes significant investment in such asset. The exposures to market risk will be adjusted in accordance with following principles:

- ▶ An increase of 10% if the total value of investment from 10% to 15% of the owners' equity of the Company;
- ▶ An increase of 20% if the total value of investment from 15% to 25% of the owners' equity of the Company;
- ▶ An increase of 30% if the total value of investment more than 25% of the owners' equity of the Company.

Dividends, coupons, preference right of shares (if any) or interest of deposits, cash equivalents, negotiable instruments and valuable papers shall be added to the value of asset for the purpose of determining the exposures to market risk.

The additional adjusted market risk value is calculated as: The market risk value of the underlying asset market risk (excluding the incremental risk) x The incremental risk factor.

### 3.4 Exposures to settlement risk

Exposures to settlement risk are the potential losses which may occur when a partner fails to fulfil its settlement obligation or transfer assets on time as committed. Exposures to settlement risk are determined at the transaction date as follows:

- ▶ For term deposits at credit institutions, certificates of deposit issued by credit institutions; loans to organizations and individuals securities borrowing contracts in accordance with legal regulations; repurchase agreements and reversed repurchase agreements in accordance with prevailing regulations; margin loans in accordance with prevailing regulations; undue receivables, trade receivables from brokerage activities, exposures to settlement risk before the date of securities transfer, cash settlement and contract liquidation shall be determined using the following formula:

Exposures to settlement risk = Settlement risk coefficient of counter party x Value of assets exposed to settlement risk

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.4 Exposures to settlement risk (continued)

- ▶ For firm commitment underwriting agreement signed with other organizations in an underwriting syndicate in which the securities-trading organization is the principal underwriter, the settlement risk value equals 30% of the remaining value of unpaid underwriting agreements.
- ▶ For overdue receivables, securities which have not been received on time, including securities and cash which have not been received from term deposits at credit institutions; loans to organizations and individuals; securities borrowing contracts in accordance with prevailing regulations; repurchase and reversed repurchase agreements in accordance with prevailing regulations; margin loans in accordance with prevailing regulations; undue receivables, trade receivables from brokerage activities, exposures to settlement risk is determined as follows:

Exposures to settlement risk = Settlement risk coefficient by time x Value of assets exposed to settlement risk

- ▶ In case the counterparty is completely insolvent, the entire loss calculated according to the contract value must be deducted from the liquid capital.
- ▶ For the contracts, transactions, payments other than those specified in Points a, b, c, d, đ, e, g of Article 10 of Circular 91; receivables from debt trading with partners other than Vietnam Asset Management Company (VAMC) and Viet Nam Debt And Asset Trading Corporation. (DATC):

Settlement risk value = Value of all assets with potential settlement risk x 100%

- ▶ For advances that must be returned within ninety (90) days:

Value of assets with potential settlement risk		Risk weighting	Settlement risk value
Value of all advances	accounts for 0% - 5% of equity at calculation time	8%	Settlement risk value = Value of assets with potential settlement risk x Risk weighting
	accounts for more than 5% of equity at calculation time	100%	

#### 3.4.1 Settlement risk coefficient

Settlement risk coefficient is determined based on the type of counterparties and the overdue period as stipulated in Appendix III of Circular 91.

#### 3.4.2 Value of assets exposed to settlement risk

##### a. Term deposits

Value of term deposits exposed to settlement risk is total deposited value and interest income.

Value of the assets is determined as presented at Note 3.3.2.

##### b. Receivables

Value of assets exposed to settlement risk is the value of receivables calculated based on par value, plus accrued interest, related costs and less payment received previously (if any).

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.4 *Exposures to settlement risk* (continued)

#### 3.4.3 *Deduction to value of assets exposed to settlement risk*

Except for the transactions and contracts specified in Point k Clause 1 and Point b Clause 10 of Article 10 of Circular 91, the value of collaterals shall be deducted from the Company's value of assets exposed to settlement risk if the related contracts and transactions satisfy the following conditions:

- ▶ Partners or customers use collaterals to ensure their fulfilment of obligations and their collaterals are cash, cash equivalents, valuable papers, negotiable instruments on the money market, securities listed and registered on the Securities Stock Exchange, Government bonds, bonds guaranteed by the Ministry of Finance;
- ▶ The Company has rights to control, manage, use, and transfer collaterals if partners fail to make payment fully and timely as agreed in the contracts.

Value of asset subjected to deduction is determined as follows:

$$\text{Collateral value} = \text{Volume of assets} \times \text{Asset price} \times (1 - \text{Market risk coefficient})$$

Assets price is determined in accordance with Note 3.4.2.

#### 3.4.4 *Increase in exposures to settlement risk*

Exposures to settlement risk are adjusted to increase in the following cases:

- ▶ An increase of 10% if the value of term deposits, certificate of deposits, loans, undue receivables, repurchase agreements and reversed repurchase agreements in accordance with prevailing regulations, total borrowings from an organization, an individual and a group of related organizations/individuals (if any) accounts for from 10% to 15% of the owners' equity of the Company;
- ▶ An increase of 20% if the value of term deposits, certificate of deposits, loans, undue receivables, repurchase agreements and reversed repurchase agreements in accordance with prevailing regulations, total borrowings from an organization, an individual and a group of related organizations/individuals (if any) accounts for from 15% to 25% of the owners' equity of the Company;
- ▶ An increase of 30% if the value of term deposits, certificate of deposits, loans, undue receivables, repurchase agreements and reversed repurchase agreements in accordance with prevailing regulations, total borrowings from an organization, an individual and a group of related organizations/individuals (if any), or an individual and related parties of that individual (if any), accounts for more than 25% of the owners' equity of the Company.

The value of additional adjusted settlement risk is calculated as: Value of settlement risk of the underlying asset (not including the additional risk) x Additional risk coefficient .

#### 3.4.5 *Net-off of assets exposed to settlement risk*

Values of assets exposed to settlement risk are net-off when:

- ▶ Settlement risk is attributable to the same partners;
- ▶ Settlement risk arises in the same type of transactions;
- ▶ The net-off has been agreed in written documents by both parties.

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.5 *Exposures to operational risk*

Exposures to operational risk are the potential losses which may occur due to technical errors, system errors and business processes, human errors during performing their work, or due to the lack of capital resulting from expenses, losses arising from investment activities, or other objective reasons.

Exposures to operational risk of the Company is determined at the higher of 25% of the Company's operating expenses within twelve (12) consecutive months up to the date of calculation and 20% of the minimum charter capital for business operations of a securities trading organization.

The Company's operating expenses are determined from total expenses incurred in the period less: depreciation expense; provision expense or reversal for the impairment of short-term and long-term investments; and allowance expense or reversal for doubtful debts.



# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 4. LIQUID CAPITAL

No.	Contents	Liquid Capital		
		Liquid Capital VND'000	Deductions VND'000	Increases VND'000
<b>A</b>	<b>Equity</b>	<b>(1)</b>	<b>(2)</b>	<b>(3)</b>
1	Owners' equity, excluding of redeemable preferred shares (if any)	25,000,000		
2	Share premium, excluding redeemable preference shares (if any)	-		
3	Treasury shares	-		
4	Supplementary capital reserve (if any)	2,500,000		
5	Investment and development fund (if any)	-		
6	Financial and occupational risk reserve	2,500,000		
7	Other reserves belonging to owners' equity	-		
8	Undistributed profit after tax	343,288,976		
9	Provision for asset impairments	-		
10	Differences in fixed asset revaluation	-		
11	Differences in foreign exchange	-		
12	Convertible debts			-
13	Total increase or decrease of securities in financial investments		-	-
14	Other capitals (if any)	-		
<b>1A</b>	<b>Total</b>			<b>373,288,976</b>

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 4. LIQUID CAPITAL (continued)

No.	Contents	Liquid Capital		
		Liquid Capital VND'000	Deductions VND'000	Increases VND'000
B	Short-term assets	(1)	(2)	(3)
I	Cash and cash equivalents			
II	Short-term financial investments			
1.	Short-term financial investments			
	Securities exposed to market risks as according to Clause 2, Article 9			
	Securities deducted from liquid capital as according to Clause 5, Article 6		-	
2.	Provision for impairment of short-term investments			
III	Short-term receivables, including receivables from trust activities			
1.	Trade receivables			
	Receivables from customers due in 90 days or less			
	Receivables from customers due in more than 90 days		-	
2.	Advances to suppliers		-	
3.	Operation activities receivables			
	Operation activities receivables due in 90 days or less			
	Operation activities receivables due in more than 90 days			
4.	Short-term internal receivables			
	Internal receivables due in 90 days or less			
	Internal receivables due in more than 90 days		-	
5.	Receivables from securities trading			
	Receivables from securities trading due in 90 days or less			
	Receivables from securities trading due in more than 90 days		-	
6.	Other receivables			
	Other receivables due in 90 days or less			
	Other receivables due in more than 90 days		-	
7.	Provision for doubtful short-term debts			
IV	Inventories			-
V	Other short-term assets			
1.	Short-term prepaid expenses		3,272,608	
2.	Deductible VAT			
3.	Tax and other receivables from the State			
4.	Other short-term assets			
4.1	Advances			
	Advances to be cleared in 90 days or less			
	Advances to be cleared in more than 90 days		5,000	
4.2	Other receivables, short-term assets		45,000	
<b>1B</b>	<b>Total</b>			<b>3,322,608</b>

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 4. LIQUID CAPITAL (continued)

No.	Contents	Liquid Capital		
		Liquid Capital VND'000	Deductions VND'000	Increases VND'000
C	Long-term assets	(1)	(2)	(3)
I	Long-term receivables, including receivables from trust activities			
1.	Long-term trade receivables			
	Long-term receivables from customers due in 90 days or less			
	Long-term receivables from customers due in more than 90 days		-	
2.	Capital investments in subsidiaries		-	
3.	Long-term internal receivables			
	Long-term internal receivables due in 90 days or less			
	Long-term internal receivables due in more than 90 days		-	
4.	Other long-term receivables			
	Other long-term receivables due in 90 days or less			
	Other long-term receivables due in more than 90 days		-	
5.	Provisions for long-term doubtful debts			
II	Fixed assets		7,596,941	
III	Investment properties		-	
IV	Long-term financial investments			
1.	Investments in subsidiaries		-	
2.	Long-term investments in securities			
	Securities exposed to market risk as according to Clause 2 Article 9			
	Securities deducted from Liquid Capital as according to Clause 5 Article 6		-	
3.	Overseas long-term investments		-	
4.	Other long-term investments		-	
5.	Provision for impairment of long-term financial investments			
V	Other long-term assets			
1.	Long-term prepaid expense		642,467	
2.	Deferred tax assets		1,941,247	
3.	Long-term collaterals and deposits		1,238,356	
	Assets as modified, adverse or disclaimed in reviewed financial statements that are not deducted in accordance with Circular 91		-	
1C	Total			11,419,011
TOTAL LIQUID CAPITAL = 1A-1B-1C				358,547,357

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 5. EXPOSURES TO MARKET RISK

<i>Investment items</i>		<i>Ratio %</i>	<i>Risk level VND'000</i>	<i>Risk exposure VND'000</i>
		(1)	(2)	(3) = (1) x (2)
<b>I. Cash and cash equivalents, money market instruments</b>				
1.	Cash (VND)	0	16,340,359	-
2.	Cash equivalents, term deposits and interest receivable	0	292,236,758	-
3.	Valuable papers, negotiable instruments in the monetary market	0	-	-
<b>II. Government bonds</b>				
4.	Zero-coupon Government bonds	0	-	-
5.	Coupon Government bonds: Government bonds (including sovereign bonds and project bonds issued previously), Government bonds of OECD countries or guaranteed by the Government or the Central Bank of the OECD countries, Bonds issued by international institutions such as IBRD, ADB, IADB, AFDB, EIB and EBRD, Municipal bonds	3	-	-
<b>III. Credit Institution bonds</b>				
6	Credit Institution bonds having remaining maturity of less than 1 year, including convertible bonds	3	-	-
	Credit Institution bonds having remaining maturity of 1 to under 3 years, including convertible bonds	8	-	-
	Credit Institution bonds having remaining maturity of 3 to under 5 years, including convertible bonds	10	-	-
	Credit Institution bonds having remaining maturity of 5 years and above, including convertible bonds	15	-	-
<b>IV. Corporate bonds</b>				
<b>Listed Corporate bonds</b>				
7.	Listed bonds having remaining maturity of less than 1 year, including convertible bonds	8	-	-
	Listed bonds having remaining maturity of 1 to under 3 years, including convertible bonds	10	-	-
	Listed bonds having remaining maturity of 3 to under 5 years, including convertible bonds	15	-	-
	Listed bonds having remaining maturity of 5 years and above, including convertible bonds	20	-	-

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 5. EXPOSURES TO MARKET RISK (continued)

		Ratio %	Risk level VND'000	Risk exposure VND'000
<i>Investment items</i>		(1)	(2)	(3) = (1) x (2)
<b>IV. Corporate bonds (continued)</b>				
<b>Unlisted Corporate bonds</b>				
8.	Unlisted bonds, which was issued by listed corporate, having remaining maturity of less than 1 year, including convertible bonds	15	-	-
	Unlisted bonds, which was issued by listed corporate, having remaining maturity of 1 to under 3 years, including convertible bonds	20	-	-
	Unlisted bonds, which was issued by listed corporate, having remaining maturity of 3 to under 5 years, including convertible bonds	25	-	-
	Unlisted bonds, which was issued by listed corporate, having remaining maturity of 5 years and above, including convertible bonds	30	-	-
	Unlisted bonds, which was not issued by listed corporate, having remaining maturity of less than 1 year, including convertible bonds	25	-	-
	Unlisted bonds, which was not issued by listed corporate, having remaining maturity of 1 to under 3 years, including convertible bonds	30	-	-
	Unlisted bonds, which was not issued by listed corporate, having remaining maturity of 3 to under 5 years, including convertible bonds	35	-	-
	Unlisted bonds, which was not issued by listed corporate, having remaining maturity of 5 years and above, including convertible bonds	40	-	-
<b>V. Shares</b>				
9.	Ordinary shares, preferred shares of entities listed in Ho Chi Minh Stock Exchange; open-end fund certificates	10	-	-
10.	Ordinary shares, preferred shares of entities listed in Hanoi Stock Exchange	15	-	-
11.	Ordinary shares, preferred shares of unlisted public entities registered for trading through UpCom system	20	-	-
12.	Ordinary shares, preferred shares of public entities registered for depository, but not yet listed or registered for trading; shares under IPO	30	-	-
13.	Shares of other public companies	50	-	-

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 5. EXPOSURES TO MARKET RISK (continued)

<i>Investment items</i>		<i>Ratio %</i>	<i>Risk level VND'000</i>	<i>Risk exposure VND'000</i>
		<i>(1)</i>	<i>(2)</i>	<i>(3) = (1) x (2)</i>
<b>VI. Certificates of investment securities funds</b>				
14.	Public funds, including public securities investment companies	10	-	-
15.	Member funds, including private securities investment companies	30	-	-
<b>VII. Securities under trading restriction</b>				
16.	Unlisted public company securities were prompted due to delay in disclosure of information on financial statements audited/reviewed	30	-	-
	Listed securities are warned	20	-	-
	Controlled listed securities	25	-	-
	Securities suspended temporarily from trading	40	-	-
17.	Delisted securities and cancelation transaction securities	80	-	-
<b>VIII. Other securities</b>				
18.	Stocks and bonds of private companies that have the unaudited financial statements until preparing the financial report or have audited financial statements with adverse opinion or disclaimer of opinion or unqualified opinion.	100	-	-
	Shares, contributed capital and other securities	80	-	-
19.	Other investment assets	80	-	-
<b>Total exposures to market risk (I+II+III+IV+V+VI+VII+VIII)</b>				-

## 6. EXPOSURES TO SETTLEMENT RISK

	<i>Exposures to settlement risk VND'000</i>
Risks of undue debts ( <i>Note 6.1</i> )	24,297,684
Risks of overdue debts	-
Additional exposures ( <i>Note 6.2</i> )	5,028,330
<b>Total exposures to settlement risk</b>	<b>29,326,014</b>

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 6. EXPOSURES TO SETTLEMENT RISK (continued)

### 6.1 Risks of undue debts

The exposures to settlement risk of undue items are determined as follows:

Type of transactions	Risk coefficient (%)	Exposures to settlement risk (VND'000)						Total exposures to settlement risk VND'000
		0%	0.8%	3.2%	4.8%	6%	8%	
		(1)	(2)	(3)	(4)	(5)	(6)	
1. Term deposits and loans without collaterals, receivables from trading activities, securities trading operation and other potentially risky items (Note 6.1.1)	-	-	-	-	-	17,534,205	6,763,479	24,297,684
2. Securities lending/Other agreements with similar nature	-	-	-	-	-	-	-	-
3. Securities borrowings/Other agreements with similar nature	-	-	-	-	-	-	-	-
4. Reversed repurchase agreements on securities/Other agreements with similar nature	-	-	-	-	-	-	-	-
5. Repurchase agreements on securities/Other agreements with similar nature	-	-	-	-	-	-	-	-
6. Margin loan contracts (lending to customers for buying securities)/ Other agreements with similar nature	-	-	-	-	-	-	-	-
<b>TOTAL EXPOSURES TO SETTLEMENT RISK BEFORE PAYMENT TERMS</b>								<b>24,297,684</b>

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 6. EXPOSURES TO SETTLEMENT RISK (continued)

### 6.1 Risks of undue debts (continued)

Settlement risk coefficient based on counterparties is determined as follows:

No	Counterparties of the Company	Settlement risk coefficient
(1)	Government, issuers guaranteed by the Government, Ministry of Finance, State Bank, Government and Central Banks of OECD countries; People's committees of provinces and cities under central authority	0%
(2)	Securities Stock Exchanges and Vietnam Securities Depository and Clearing	0.8%
(3)	Credit institutions, financial institutions, and securities trading institutions which are established in OECD countries and have credit ratings in accordance with the internal policies of securities trading institutions	3.2%
(4)	Credit institutions, financial institutions, and securities trading institutions which are established outside OECD countries; or established in OECD countries and do not have credit ratings in accordance with the internal policies of securities trading institutions	4.8%
(5)	Credit institutions, financial institutions, securities trading institutions and investment securities funds, securities investment companies being established and operating in Vietnam	6%
(6)	Other entities and individuals	8%

#### 6.1.1 Term deposits and receivables from operating activities

	Book value VND'000	Settlement risk coefficient %	Exposure to settlement risk VND'000
Term deposits and interest receivable (*)	292,236,758	6.00	17,534,205
Receivable from portfolio management activities	83,536,388	8.00	6,682,911
Receivable from fund management activities	967,099	8.00	77,368
Other receivables	40,000	8.00	3,200
	<b><u>376,780,245</u></b>		<b><u>24,297,684</u></b>



# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 6. EXPOSURES TO SETTLEMENT RISK (continued)

### 6.1 Risks of undue debts (continued)

#### 6.1.1 Term deposits and receivables from operating activities (continued)

(\*) Term deposits and interest receivable at MUFG Bank, Ltd., Hanoi Branch, United Overseas Bank (Vietnam) Limited (UOB), Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank) and ANZ Bank (Vietnam) Limited which are credit institutions established and operating in Vietnam.

### 6.2 Additional exposures

Addition exposures of term deposits and interest receivable are as follows:

No.	Item	Additional rate %	Risk level VND'000	Exposures to settlement risk VND'000
1.	Term deposits and interest receivable at MUFG Bank, Ltd., Hanoi Branch	10	3,320,224	332,022
2.	Term deposits and interest receivable at Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)	30	7,877,400	2,363,220
3.	Term deposits and interest receivable at United Overseas Bank (Vietnam) Limited (UOB)	10	2,708,100	270,810
4.	Term deposits and interest receivable at ANZ Bank (Vietnam) Limited	20	3,628,481	725,696
5.	Receivables from Prudential Vietnam Assurance Private Limited	20	6,682,911	1,336,582
<b>TOTAL ADDITIONAL EXPOSURES TO SETTLEMENT RISK</b>				<b>5,028,330</b>

# Eastspring Investments Fund Management Limited Liability Company

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 30 June 2024

## 7. EXPOSURES TO OPERATIONAL RISK

No.	Items	Amount VND'000
I.	Total operating expenses incurred within 12 months	109,814,321
II.	Deductions from total expenses (Note 7.1)	1,075,697
III.	Total expenses after deductions (III = I – II)	108,738,624
IV.	25% of total expense after deductions (IV = 25% III)	27,184,656
V.	20% minimum charter capital for business operations of a securities business organization	5,000,000
<b>TOTAL EXPOSURES TO OPERATIONAL RISK (Max {IV, V})</b>		<b>27,184,656</b>

### 7.1 Deductions from total expenses

	Amount VND'000
Depreciation and amortisation expenses	<u>1,075,697</u>

## 8. EVENTS AFTER 30 JUNE 2024

There is no significant events occurring after 30 June 2024 that requires adjustment or disclosure in the Company's financial safety ratio report as at 30 June 2024.



Ms. Le Minh Thuy  
Chief Accountant



Mr. Tran Vu Duy  
Head of Internal control



Mr. Ngo The Trieu  
Chief Executive Officer

Ho Chi Minh City, Vietnam

14 August 2024