Consolidated financial statements and independent auditors' report

VinaCapital Vietnam Opportunity Fund Limited and its subsidiaries

30 June 2011

Contents

Report of the Board of Directors

The Board of Directors submits its report together with the consolidated financial statements of VinaCapital Vietnam Opportunity Fund Limited ("the Company") and its subsidiaries (together "the Group") for the year ended 30 June 2011 ("the year").

The Group

VinaCapital Vietnam Opportunity Fund Limited was incorporated in the Cayman Islands as a limited liability company. The registered office of the Company is PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands.

The details of the Group's subsidiaries and associates are set out in Note 6 and Note 9 of the consolidated financial statements.

Principal activities

The Company's principal activity is to undertake various forms of investment in Vietnam (primarily), and also in Cambodia, Laos and Southern China. The Company mainly invests in listed and unlisted companies, debt instruments, private equity and real estate assets and other opportunities with the objective of achieving medium to long-term capital appreciation and investment income.

The principal activities of the subsidiaries are financial services, property investment, hospitality management and retailing.

Results and dividends

The consolidated results of the Group's operations for the year ended 30 June 2011 and the state of its affairs as at that date are presented in the consolidated financial statements on pages 6 to 49.

The Board of Directors do not recommend payment of dividends for the year ended 30 June 2011 (30 June 2010: nil).

Board of Directors

The members of the Company's Board of Directors during the year and up to the date of this report are:

Name	Position	Date of appointment
William Vanderfelt	Chairman	10 December 2004
Horst Geicke	Director	14 March 2003
Martin Glynn	Director	18 March 2008
Don Lam	Director	18 March 2008
Michael Gray	Director	24 June 2009

Auditors
The Group's auditors, Grant Thornton Cayman Islands with the assistance of Grant Thornton (Vietnam) Ltd, have expressed their willingness to accept re-appointments.

Subsequent events after the reporting date
No significant events have occurred since the reporting date which would impact on the consolidated financial position of the Group as disclosed in the Statement of Financial Position as at 30 June 2011 or on the results of its operation and its cash flows for the year then ended.

Directors' interest in the Company
As at 30 June 2011, the interests of the Directors in the shares, underlying shares and debentures of the Company are as follow:

	No. of shares		Percentage of issued capital
	Direct	Indirect	(direct and indirect holding)
Horst Geicke	1,275,000	235,342	0.465%
Don Lam	1,005,859	235,342	0.382%
William Vanderfelt	-	600,000	0.185%
Michael Gray	100,000	-	0.031%
Martin Glynn	20,000	-	0.006%

Subsequent to the reporting date, Mr Horst Geicke disposed of 500,000 shares on the open market bringing his total direct interest to 775,000 shares in the Company, which represents a 0.325% holding.

Directors' responsibilities in respect of the consolidated financial statements
The Board of Directors is responsible for ensuring that the consolidated financial statements are properly drawn up so as to give a true and fair view of the financial position of the Group as at 30 June 2011 and of the results of its operations and its cash flows for the year then ended on that date. In preparing the consolidated financial statements, the Board of Directors is required to:

i. adopt appropriate accounting policies which are supported by reasonable and prudent judgements and estimates and then apply them consistently;

ii. comply with the disclosure requirements of the International Financial Reporting Standards or, if there have been any departures in the interest of true and fair presentation, ensure that these have been appropriately disclosed, explained and quantified in the consolidated financial statements;

iii. maintain adequate accounting records and an effective system of internal control;

iv. prepare the consolidated financial statements on a going concern basis unless it is inappropriate to assume that the Group will continue its operations in the foreseeable future; and

v. control and direct effectively the Group in all material decisions affecting its operations and performance and ascertain that such decisions and/or instructions have been properly reflected in the consolidated financial statements.

The Board of Directors is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement by the Board of Directors

In the opinion of the Board of Directors, the accompanying Consolidated Statement of Financial Position, Consolidated Statements of Income and Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows, together with the notes thereto, have been properly drawn up and give a true and fair view of the financial position of the Group as at 30 June 2011 and the results of its operations and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

On behalf of the Board of Directors

____

31 October 2011
William Vanderfelt
Chairman
Hong Kong

Independent Auditors' Report

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To the Shareholders of
VinaCapital Vietnam Opportunity Fund Limited

Introduction

We have audited the accompanying Consolidated Statement of Financial Position of VinaCapital Vietnam Opportunity Fund Limited and its subsidiaries ("the Group") as of 30 June 2011, and the related Consolidated Statement of Changes in Equity, Consolidated Statements of Income and Comprehensive Income, and Consolidated of Statement of Cash Flows for the year then ended together with a summary of significant accounting policies and other explanatory notes from page 6 to 49.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable under the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

This report, including the opinion, has been prepared exclusively for the shareholders. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior written consent.

Basis of opinion

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend upon the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of VinaCapital Vietnam Opportunity Fund Limited and its subsidiaries as at 30 June 2011, and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

GRANT THORNTON

Grand Cayman, Cayman Islands
Date: _______________

Consolidated Statement of Financial Position

	Notes	30 June 2011	30 June 2010
		USD'000	USD'000
			(Reclassified)
ASSETS			
Non-current			
Property, plant and equipment		**572**	-
Investment properties	7	**3,445**	6,700
Prepayments for acquisitions of investments	8	**8,986**	10,491
Investments in associates	9	**199,579**	194,688
Available for sale financial assets	10	**16,923**	6,916
Long-term loans receivable from related parties	26	**51,836**	47,718
Other long-term financial assets		**-**	1,170
Other assets		**95**	104
Non-current assets		**281,436**	267,787
Current			
Inventories		**2,380**	2,437
Receivables from related parties	26	**12,947**	11,564
Trade and other receivables	11	**8,714**	6,045
Financial assets at fair value through profit or loss	12	**383,782**	455,526
Short-term investments		**27**	428
Cash and cash equivalents	14	**62,968**	50,033
Current assets		**470,818**	526,033
Assets classified as held for sale	15	**12,349**	-
TOTAL ASSETS		**764,603**	793,820

Consolidated Statement of Financial Position (Cont'd)

	Note	30 June 2011	30 June 2010
		USD'000	USD'000
EQUITY AND LIABILITIES			
EQUITY			
Equity attributable to shareholders of the parent:			
Share capital	16	**3,246**	3,246
Additional paid-in capital		**722,064**	722,064
Revaluation reserve	17	**27,513**	21,193
Translation reserve		**(4,834)**	(3,762)
Retained earnings		**3,917**	39,760
		751,906	782,501
Non-controlling interests		**-**	1,427
TOTAL EQUITY		**751,906**	783,928
LIABILITIES			
Non-current			
Deferred tax liabilities		**101**	101
Other long-term liabilities		**55**	-
Non-current liabilities		**156**	101
Current			
Trade and other payables	18	**3,932**	4,089
Payables to related parties	26	**8,609**	5,702
Current liabilities		**12,541**	9,791
Liabilities classified as held for sale	15	**-**	-
TOTAL LIABILITIES		**12,697**	9,892
TOTAL EQUITY AND LIABILITIES		**764,603**	793,820
Net asset value per share attributable to equity shareholders of the company (USD per share)	24	**2.32**	2.41

Consolidated Statement of Changes in Equity

	Equity attributable to shareholders of the parent						Non-controlling interests	Total equity
	Share capital	Additional paid-in capital	Revaluation reserve	Translation reserve	Retained earnings	Total attributable to owners of the parent		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
1 July 2009	3,246	722,064	25,958	(2,088)	(67,268)	681,912	13,676	695,588
Acquisition of non-controlling interest in a subsidiary	-	-	-	-	(69)	(69)	402	333
Transactions with owners	-	-	-	-	(69)	(69)	402	333
Profit for the year ended 30 June 2010	-	-	-	-	104,694	104,694	311	105,005
Other comprehensive income								
Currency translation	-	-	-	(1,674)	-	(1,674)	(112)	(1,786)
Share of associates' revaluation losses recognised directly in other comprehensive income (Note 9)	-	-	4,578	-	-	4,578	-	4,578
Income tax relating to components of other comprehensive income (Note 9)	-	-	(6,940)	-	-	(6,940)	-	(6,940)
Total other comprehensive income	-	-	(2,362)	(1,674)	-	(4,036)	(112)	(4,148)
Total comprehensive income	-	-	(2,362)	(1,674)	104,694	100,658	199	100,857
Disposal of associate	-	-	(2,403)	-	2,403	-	-	-
Disposal of assets and liabilities held for sale	-	-	-	-	-	-	(7,978)	(7,978)
Redemption of non-controlling interest	-	-	-	-	-	-	(4,741)	(4,741)
Dividend distribution to non-controlling shareholder	-	-	-	-	-	-	(131)	(131)
30 June 2010	3,246	722,064	21,193	(3,762)	39,760	782,501	1,427	783,928
1 July 2010	3,246	722,064	21,193	(3,762)	39,760	782,501	1,427	**783,928**
Acquisition of non-controlling interest in a subsidiary	-	-	-	-	442	442	(1,056)	**(614)**
Transactions with owners	-	-	-	-	442	442	(1,056)	**(614)**
Loss for the year ended 30 June 2011	-	-	-	-	(36,285)	(36,285)	106	**(36,179)**
Other comprehensive income								
Currency translation	-	-	-	(1,072)	-	(1,072)	(30)	**(1,102)**
Share of associates' revaluation losses recognised directly in other comprehensive income (Note 9)	-	-	7,966	-	-	7,966	-	**7,966**
Income tax relating to components of other comprehensive income (Note 9)	-	-	(1,646)	-	-	(1,646)	-	**(1,646)**
Total other comprehensive income	**-**	**-**	**6,320**	**(1,072)**	**-**	**5,248**	**(30)**	**5,218**
Total comprehensive income	**-**	**-**	**6,320**	**(1,072)**	**(36,285)**	**(31,037)**	**76**	**(30,961)**
Disposal of subsidiary	-	-	-	-	-	-	(447)	**(447)**
30 June 2011	**3,246**	**722,064**	**27,513**	**(4,834)**	**3,917**	**751,906**	**-**	**751,906**

Consolidated Statement of Income

	Notes	Year ended 30 June 2011 USD'000	30 June 2010 USD'000
Revenue		**8,797**	9,333
Cost of sales		**(7,059)**	(7,673)
Gross profit		**1,738**	1,660
Net changes in fair value of financial assets at fair value through profit or loss	19	**(52,520)**	96,895
Selling, general and administration expenses	20	**(20,155)**	(21,374)
Net losses from fair value adjustments of investment properties	7	**(301)**	(72)
Other income	21	**6,946**	2,633
Other expenses		**(4,056)**	(1,600)
		(70,086)	76,482
Operating (loss)/profit		**(68,348)**	78,142
Finance income	22	**21,461**	14,475
Finance expenses	22	**(4,171)**	(2,668)
Share of profits of associates	9	**15,424**	15,267
		32,714	27,074
(Loss)/profit before income tax		**(35,634)**	105,216
Withholding taxes imposed on investment income		**(342)**	(211)
Corporate income tax	23	**(203)**	-
Net (loss)/profit		**(36,179)**	105,005
Attributable to equity shareholders of the Company		**(36,285)**	104,694
Attributable to holders of non-controlling interest		**106**	311
		(36,179)	105,005
(Losses)/Earnings per share – basic and diluted (USD per share)	24	**(0.11)**	0.32

Consolidated Statement of Comprehensive Income

	Year ended 30 June 2011 USD'000	30 June 2010 USD'000
Net (loss)/profit	**(36,179)**	105,005
Other comprehensive income		
Share in other comprehensive income of associates	**7,966**	4,578
Income tax relating to components of other comprehensive income	**(1,646)**	(6,940)
Losses from exchange differences on translation of foreign operations	**(1,102)**	(1,786)
Other comprehensive income/(loss)	**5,218**	(4,148)
Total comprehensive (loss)/income	**(30,961)**	100,857
Attributable to equity shareholders of the parent company	**(31,037)**	100,658
Attributable to holders of non-controlling interest	**76**	199
	(30,961)	100,857

Consolidated Statement of Cash Flows

	Notes	Year ended	
		30 June 2011 USD'000	30 June 2010 USD'000 (Reclassified)
Operating activities			
(Loss)/profit before income tax		**(35,634)**	105,216
Adjustments for:			
Depreciation and amortisation		**442**	355
Unrealised net loss/(gain) from revaluation of financial assets at fair value through profit or loss	19	**74,691**	(61,064)
Net gains from sale of financial assets at fair value through profit or loss	19	**(22,171)**	(35,831)
Loss from disposal of property, plant and equipment		**-**	8
Losses on revaluation of investment properties	7	**301**	72
Gains from disposal of investment	21	**(5,876)**	(1,035)
Share of profits of associates	9	**(15,424)**	(15,267)
Impairment losses		**4,056**	1,487
Unrealised losses from foreign exchange differences	22	**656**	252
Interest expense	22	**460**	265
Dividend income	22	**(16,725)**	(9,938)
Interest income	22	**(4,142)**	(3,825)
Net losses before changes in working capital		**(19,366)**	(19,305)
Changes in trade receivables and other assets		**(1,544)**	(4,334)
Changes in inventories		**57**	(366)
Changes in trade payables and other liabilities		**2,510**	3,307
Withholding taxes imposed on investment income		**(342)**	(211)
Cash flow used in operating activities		**(18,685)**	(20,909)

Consolidated Statement of Cash Flows (cont'd)

	Notes	Year ended	
		30 June 2011 USD'000	30 June 2010 USD'000 (Reclassified)
Investing activities			
Interest received		**4,020**	3,266
Dividends received		**15,142**	11,479
Acquisitions of investment property, plant, equipment and other non-current assets		**(162)**	(345)
Acquisitions of financial assets through profit or loss		**(70,294)**	(124,643)
Acquisitions of available for sale financial assets	10	**(7,112)**	-
Proceeds from disposals of financial assets		**91,134**	114,334
Additional investments in associates	9	**(7,038)**	(17,650)
Proceeds from disposals of investments and property, plant, equipment		**11,668**	18,562
Proceeds from sales of short-term investments		**401**	24
Loans received from/ (provided to) associates, net		**(5,200)**	1,114
Cash flow from investing activities		**32,559**	6,141
Financing activities			
Interest paid		**(460)**	(2)
Acquisition of non-controlling interest		**(614)**	-
Dividends paid to holders of non-controlling interest		**-**	(131)
Capital distributions to holders of non-controlling interest		**-**	(4,782)
Cash flow used in financing activities		**(1,074)**	(4,915)
Net change in cash and cash equivalents		**12,800**	(19,683)
Cash and cash equivalents at the beginning of the year		**50,033**	69,691
Exchange differences on cash and cash equivalents		**135**	25
Cash and cash equivalents at the end of the year	14	**62,968**	50,033

Notes to the Consolidated Financial Statements

1 General information

VinaCapital Vietnam Opportunity Fund Limited ("the Company" or "VOF") is a limited liability company incorporated in the Cayman Islands. The registered office of the Company is PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands. The Company's primary objective is to undertake various forms of investment primarily in Vietnam, and also in Cambodia, Laos and Southern China. The Company is listed on the AIM market of the London Stock Exchange under the ticker symbol VOF.

The Company does not have a fixed life but the Board considers it desirable that Shareholders should have the opportunity to review the future of the Company at appropriate intervals. Accordingly, the Board intends that a special resolution will be proposed every fifth year that the Company ceases to continue as presently constituted. If the resolution is not passed, the Company will continue to operate. If the resolution is passed, the Directors will be required to formulate proposals to be put to shareholders to reorganise, unitise or reconstruct the Company or for the Company to be wound up. The Board tabled such a special resolution in 2008 and it was not passed, allowing the Company to continue as presently constituted. The next special resolution on the life of the Company will be held in or before 2013.

The consolidated financial statements for the year ended 30 June 2011 were authorised for issue by the Company's Board of Directors on 31October 2011.

2 Statement of compliance with IFRS and adoption of new and amended standards and interpretations

2.1 Statement of compliance with IFRS

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

2.2 Changes in accounting policies

2.2.1 Overall considerations

The Group has adopted the following new interpretations, revisions and amendments to IFRS issued by the IASB, which are relevant to and effective for the Group's consolidated financial statements for the annual period beginning on 1 July 2010:

- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments
- Annual Improvements 2009
  - IAS 17 Leases
- Annual Improvements 2010
  - IFRS 3 Business Combinations
  - IFRS 7 Financial Instruments: Disclosure
  - IAS 1 Presentation of Financial Statements
  - IAS 21 The Effects of Changes in Foreign Exchange Rates and IAS 28 Investments in Associates

2 Statement of compliance with IFRS and adoption of new and amended standards and interpretations (continued)

Significant effects on current, prior or future periods arising from the initial application of these new requirements in respect of presentation, recognition and measurement are described in notes 2.2.2. An overview of standards, amendments and interpretations to IFRS issued but not yet effective is given in note 2.2.3.

2.2.2 Adoptions of revised and amended standards

Adoption of Annual Improvements 2009

The Improvements to IFRS 2009 made several minor amendments to IFRS. The only amendment relevant to the Group relates to IAS 17 *Leases*. IAS 17 *Leases* is effective for periods beginning on or after 1 January 2010. Prior to this amendment, IAS 17 generally required a lease of land to be classified as an operating lease. The amendment requires that leases of land are classified as finance or operating leases by applying the general principles of IAS 17.

The Group has reassessed the classification of the land elements of its unexpired leases as at 1 July 2010 on the basis of information existing at the inception of those leases and has determined that none of its leases require reclassification.

Adoption of Annual Improvement 2010

The IASB has issued Improvements to IFRS 2010. Most of these amendments become effective in annual periods beginning on or after 1 July 2010 or 1 January 2011. The Group has applied the amendments to IFRS 3 *Business Combinations,* IFRS 7 *Financial instruments: Disclosure,* IAS 1 *Presentation of Financial Statements,* IAS 21 *The Effects of Changes in Foreign Exchange Rates*, and IAS 28 *Investments in Associates* to the current consolidated financial statements.

IFRS 3 *Business Combinations* is effective for the periods beginning on or after 1 July 2010. In respect of transition requirements for contingent consideration from a business combination that occurred before the effective date of the revised IFRS, the improvements clarify that contingent consideration balances arising from business combinations that occurred before an entity's date of adoption of IFRS 3 (Revised 2008) shall not be adjusted on the adoption date. Guidance is also provided on the subsequent accounting for such contingent balances. In respect of measurement of non-controlling interests ("NCI"), the choice of measuring NCI either at fair value or at the proportionate share in the recognised amounts of an acquiree's identifiable assets, is now limited to NCI that are present ownership instruments and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation. This clarifies that all other components of NCI shall be measured at their acquisition-date fair values, unless another measurement basis is required by IFRS. The Group has applied IFRS 3 Business Combinations prospectively to all business combinations from 1 July 2010.

IFRS 7 *Financial instruments: Disclosure* is effective for the periods beginning on or after 1 January 2011. This clarifies the disclosure requirement of the standards to remove inconsistencies, duplicative disclosure requirements and specific disclosures that may be misleading. The Group has made sufficient disclosure in compliance with IFRS 7 in the consolidated financial statements.

IAS 1 *Presentation of Financial Statements* is effective for the periods beginning on or after 1 January 2011. This clarifies that entities may present the required reconciliations for each component of other comprehensive income either in the Consolidated Statement of Changes in Equity or in the notes to financial statements. The Group has presented the required reconciliations for each component of other comprehensive income in the Consolidated Statement of Changes in Equity.

IAS 21 *The Effects of Changes in Foreign Exchange Rates* and IAS 28 *Investments in Associates* are effective for the periods beginning on or after 1 July 2010. These amend the transition requirements to apply certain consequential amendments arising from the IAS 27 (2008) amendments prospectively, to be consistent with the related IAS 27 transition requirement. The adoptions have no impact on the consolidated financial statements.

2 Statement of compliance with IFRS and adoption of new and amended standards and interpretations (continued)

2.2.3 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Group.

Management anticipates that all of the pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Group's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Group's financial statements.

IFRS 9 Financial Instruments (effective from 1 January 2013)

The IASB aims to replace IAS 39 *Financial Instruments: Recognition and Measurement* in its entirety. The replacement standard (IFRS 9) is being issued in phases. The chapters dealing with recognition, classification, measurement and derecognition of financial assets and liabilities have been issued. These chapters are effective for annual periods beginning 1 January 2015. IFRS 9 is the first part of Phase 1 of this project. The main phases are:

- Phase 1: Classification and Measurement
- Phase 2: Impairment methodology
- Phase 3: Hedge accounting

Further chapters dealing with impairment methodology and hedge accounting are still being developed.

Management have yet to assess the impact that this amendment is likely to have on the consolidated financial statements of the Group. However, they do not expect to implement the amendments until all chapters of IFRS 9 have been published and they can comprehensively assess the impact of all changes.

IFRS 10 Consolidated Financial Statements (effective from 1 July 2013)

IFRS 10: "Consolidated Financial Statements" was issued by the IASB in May 2011 and replaces both the existing IAS 27: "Consolidated and Separate Financial Statements" and SIC 12: "Consolidation-Special Purpose Entities". The new standard revises the definition of control and related application guidance so that a single control model can be applied to all entities. This standard will apply to the Group from 1 July 2013 and is not expected to have a material impact on the Group's financial statements.

IFRS 12 Disclosure of Interests in other Entities (effective from 1 July 2013)

IFRS 12: "Disclosure of Interests in other Entities" was issued by the IASB in May 2011 and is a new comprehensive standard on disclosure requirements for all forms of interest in other entities, including subsidiaries, joint arrangements, associates, special purpose vehicles and other off-balance-sheet vehicles. This standard is applicable from 1 July 2013 and Management is currently assessing the impacts of the standard, which will be limited to disclosure impacts only. There have also been consequential amendments to IAS 28: "Investments in Associates" as a result of the above new standard. These amendments are applicable from 1 July 2013.

Consequential amendments to IAS 27 and IAS 28 Investments in Associates and Joint Ventures (IAS 28)

IAS 27 now only deals with separate financial statements. IAS 28 brings investments in joint ventures into its scope. However, IAS 28's equity accounting methodology remains unchanged.

2 Statement of compliance with IFRS and adoption of new and amended standards and interpretations (continued)

IFRS 13 Fair Value Measurements (effective from 1 July 2013)

IFRS 13: "Fair Value Measurements" was issued by the IASB in May 2011 and provides a precise definition of fair value as a single source of fair value measurement. IFRS 13 prescribes disclosure requirements for use across IFRS. The requirements do not extend the use of fair value accounting, but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS. The standard will apply to the Group from 1 July 2013 but is not expected to have a material impact on the Group's financial statements.

Amendments to IAS 1 Presentation of Financial Statements (IAS 1 Amendments)

The IAS 1 Amendments require an entity to group items presented in other comprehensive income into those that, in accordance with other IFRSs: (a) will not be reclassified subsequently to profit or loss and (b) will be reclassified subsequently to profit or loss when specific conditions are met. It is applicable for annual periods beginning on or after 1 July 2012. The Group's Management expects this will change the current presentation of items in other comprehensive income; however, it will not affect the measurement of recognition of such items.

3 Summary of significant accounting policies

3.1 Presentation of consolidated financial statements

The consolidated financial statements are presented in United States Dollars (USD) and all values are rounded to the nearest thousand ('000) unless otherwise indicated.

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated.

The consolidated financial statements have been prepared using the historical cost convention, as modified by the revaluation of investment property, leasehold land and certain financial assets and financial liabilities, the measurement bases of which are described in the accounting policies below.

The preparation of consolidated financial statements in accordance with IFRS requires the use of certain accounting estimates and assumptions. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4 to the consolidated financial statements.

3.2 Basis of consolidation

The consolidated financial statements of the Group for the year ended 30 June 2011 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates.

3.3 Subsidiaries

Subsidiaries are all entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from their activities. In assessing control, potential voting rights that presently are exercisable, along with contractual arrangements, are taken into account. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are excluded from consolidation from the date that the control ceases. The majority of the Group's subsidiaries have a reporting date of 30 June. For those subsidiaries with a different reporting date, the Group consolidate management information which is subject to audit for the period to 30 June.

In addition, acquired subsidiaries are subject to application of the purchase method. This involves the revaluation at fair value of all identifiable assets and liabilities, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition.

3 Summary of significant accounting policies (continued)

Some changes in the fair value of contingent consideration that the Group recognises after the acquisition date may be the result of additional information that the Group obtained after that date, such as information pertaining to facts and circumstances that existed at the acquisition date. Where the changes in fair value of contingent consideration are not measurement period adjustments, contingent consideration classified as equity is not re-measured, contingent consideration classified as an asset or a liability which is a financial instrument within the scope of IAS 39 is measured at fair value with gains and losses recognised either in Statement of Income or in other comprehensive income according to the requirements of IAS 39 and contingent consideration classified as an asset or a liability outside the scope of IAS 39 is accounted for in accordance with IAS 37 or other IFRSs as appropriate.

IFRS 3 (Revised 2010) clarifies that contingent consideration balances arising from business combinations whose acquisition dates are prior to 1 July 2010 shall not be adjusted retrospectively. If a business combination provides for an adjustment to the cost of the combination contingent on future events, the Group shall include the amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably. There were no contingent consideration during the year.

On initial recognition, the assets and liabilities of the acquired subsidiary are included in the consolidated statement of financial position at their fair value amounts, which are also used as the basis for subsequent measurement in accordance with the Group's accounting policies. Goodwill represents the excess of acquisition cost over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Gain on bargain purchase is immediately allocated to the Statement of Income as at the acquisition date. All acquisition related costs are expensed in the period in which the costs are incurred and not included in the cost of investment.

All inter-company balances and significant inter-company transactions and resulting unrealised profits or losses (unless losses provide evidence of impairment) are eliminated on consolidation.

A non-controlling interest represents the portion of the Statement of Income and net assets of a subsidiary attributable to an equity interest that is not owned by the Group. For each business combination, the acquirer shall measure at the acquisition date components of non-controlling interests in the acquiree that are present ownership interest in the acquiree and currently entitle their holders to a proportionate share of the entity's net assets in the event of liquidation either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. Non-controlling interest is based upon the non-controlling interest's share of post-acquisition fair values of the subsidiary's identifiable assets and liabilities. All other components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by other standards. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in ownership of interests in a subsidiary that do not result in gaining or losing control of the subsidiary are accounted for as equity transactions whereby the difference between the consideration paid and the proportionate change in the parent entity's interest in the carrying value of the subsidiary's net assets is recorded in equity and attributable to the owners. No adjustment is made to the carrying value of the subsidiary's net assets as reported in the consolidated financial statements.

Where the business combination is achieved in stages, the Group shall re-measure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain or loss, if any, in profit or loss or other comprehensive income, as appropriate.

3 Summary of significant accounting policies (continued)

In prior reporting periods, the Group may have recognised changes in the value of its equity interest in the acquiree in other comprehensive income. If so, the amount that was recognised in other comprehensive income shall be recognised on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

3.4 Associates

Associates are those entities over which the Group is able to exert significant influence, generally accompanying a shareholding of between 20% and 50% of voting rights, but which are neither subsidiaries nor investments in joint ventures. In the consolidated financial statements, investments in associates are initially recorded at cost and subsequently accounted for using the equity method.

Under the equity method, the Group's interest in an associate is initially carried at cost and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss of the associates after the date of acquisition and any changes in the associates' other comprehensive income less any identified impairment loss, unless it is classified as held for sale or included in a disposal group that is classified as held for sale. The Consolidated Statement of Income includes the Group's share of the post-acquisition, post-tax results of the associate entities for the year, including any impairment loss on goodwill relating to the investments in the associate recognised for the year.

All subsequent changes to the Group's share of interest in the equity of an associate are recognised in the carrying amount of the investment. Changes resulting from the profit or loss generated by the associate are reported within "Share of profits/(losses) of associates" in the Consolidated Statement of Income. These changes include subsequent depreciation, amortisation or impairment of the fair value adjustments of assets and liabilities.

Adjustments to the carrying value of an associate are necessary for changes in the associate's other comprehensive income that have not been recognised in their Consolidated Statement of Income, primarily those arising on the revaluation of plant, property and equipment. The Group's share of this change is recognised directly in the Statement of Comprehensive Income.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has legal or constructive obligations, or made payments, on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognised at the date of acquisition is recognised as goodwill. Gain on bargain purchase is immediately allocated to the Consolidated Statement of Income as at the acquisition date. The cost of acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group.

Goodwill is included within the carrying amount of an investment and is assessed for impairment as part of the investment. After the application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investments in its associates. At each reporting date, the Group determines whether there is any objective evidence that an investment in an associate is impaired. If such indications are identified, the Group calculates the amount of impairment as being the difference between the recoverable amount of the associate and its respective carrying amount.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in an associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

3 Summary of significant accounting policies (continued)

3.5 Functional and presentation currency

The Group's consolidated financial statements are presented in United States Dollars (USD) ("the presentation currency"). The financial statements of each consolidated entity are initially prepared in the currency of the primary economic environment in which the entity operates ("the functional currency"), which for most investments is Vietnam Dong. The financial statements prepared using Vietnamese Dong are then translated into the presentation currency of USD. USD is used as the presentation currency because it is the primary basis for the measurement of the performance of the Group (specifically changes in the Net Asset Value of the Group) and a large proportion of significant transactions of the Group are denominated in USD.

3.6 Foreign currency translation

In the separate financial statements of the consolidated entities, transactions arising in currencies other than the functional currency of the individual entity are translated at exchange rates as at the transaction dates. Monetary assets and liabilities denominated in currencies other than the functional currency of the individual entity are translated at the exchange rates in effect at the reporting date. Translation gains and losses and expenses relating to foreign exchange transactions are recorded in the Consolidated Statement of Income.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction. Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

In the Group's consolidated financial statements all separate financial statements of subsidiaries, if originally presented in a currency different from the Group's presentation currency, are converted into USD. Assets and liabilities are translated into USD at the closing rate at the reporting date. Income and expenses are converted into the Group's presentation currency at the average rates over the reporting period where these rates are approximate the exchange rates at the dates of the transactions or at the exchange rates at the dates of the transactions where such rates fluctuate significantly. Any differences arising from this translation are charged to the currency translation reserve in other comprehensive income.

3.7 Revenue recognition

Revenue comprises revenue from the sale of goods of the Group's subsidiary. Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Group's activity have been met.

Sale of goods

Revenue from sale of goods is recognised in the Consolidated Statement of Income when the significant risks and rewards of ownership of goods have passed to the buyer. Revenue is measured by reference to the fair value of consideration received or receivable by the Group for goods supplied, excluding sales taxes, rebates, and trade discounts.

Interest income

Interest income is recognised on the effective interest rate basis.

Dividend income

Dividend income, other than those from investments in associates, is recorded when the Group's right to receive the dividend is established.

3 Summary of significant accounting policies (continued)

3.8 Expense recognition

Borrowing costs

Borrowing costs, comprising interest and related costs, are recognised as an expense in the period in which they are incurred, except for borrowing costs relating to qualifying assets that need a substantial period of time to get ready for their intended use or sale to the extent that they are directly attributable to the acquisition, production or construction of such assets.

Operating lease payments

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

3.9 Goodwill

Goodwill represents the excess of the cost of acquisition of subsidiary companies and associates over the Group's share of the fair value of their identifiable net assets at the date of acquisition.

Goodwill is recognised at cost less any accumulated impairment losses. The carrying value of goodwill is subject to an annual impairment review and whenever events or changes in circumstances indicate that it may not be recoverable. An impairment charge will be recognised in the Consolidated Statement of Income when the results of such a review indicate that the carrying value of goodwill is impaired (see accounting policy 3.15).

Gains and losses on disposal of an entity include the carrying amount of goodwill relating to the entity disposed of.

3.10 Investment properties

Investment properties are properties owned or held under finance leases to earn rentals or capital appreciation, or both, or land held for a currently undetermined use. Property held under operating leases (including leasehold land) that would otherwise meet the definition of investment property is classified as investment property on a property by property basis. If a leased property does not meet this definition it is recorded as an operating lease.

Property under construction or development for future use as investment property is treated as investment property and is measured at fair value where the fair value of the investment property under construction or development for future use can be reliably determined.

Investment properties are stated at fair value. At the end of each quarter of the financial year, the fair values of a selection of investment properties are assessed by the Valuation Committee such that the fair values of all investment properties are assessed at least once per financial year. At the date of assessment, two independent valuation companies with appropriately recognised professional qualifications and recent experience in the location and category being valued undertake a valuation of each selected property. The fair value is estimated by the independent valuation companies assuming there is an agreement between a willing buyer and a willing seller in an arm's length transaction after proper marketing; wherein the parties have each acted knowledgeably, prudently and without compulsion. The valuations by the independent valuation companies are prepared based upon direct comparison with sales of other similar properties in the area and the expected future discounted cash flows of a property using a yield that reflects the risks inherent therein. The estimated fair values provided by the independent valuation companies are used by the Valuation Committee as the primary basis for estimating each property's fair value. In addition to the reports of the independent valuation companies the Valuation Committee considers information from other sources, including those sources referred to in Note 4, before recommending each property's estimated fair value to the Board for approval. Discount rates from 13% to 20% are considered appropriate for properties dependent on their respective location. Gains and losses from changes in fair value are recognised in the Consolidated Statement of Income.

3 Summary of significant accounting policies (continued)

Leases

Leases under the terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases.

Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, unless they are treated as investment properties (see accounting policy 3.10). Where the Group has the use of an asset held under an operating lease, payments made under the lease are charged to the Consolidated Statement of Income on a straight line basis over the term of the lease. Prepayments for operating leases represent property held under operating leases where a portion, or all, of the lease payments have been paid in advance, and the properties cannot be classified as an investment property.

3.11 Financial assets

Financial assets are divided into the following categories: loans and receivables, financial assets at fair value through profit or loss, and available for sale financial assets.

Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired. Where permitted and appropriate, Management re-evaluates this designation at each reporting date. The designation of financial assets is based on the investment strategy set out in the Group's Admission Document to the Alternative Investment Market of the London Stock Exchange dated 24 September 2003.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument.

De-recognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. At each reporting date, financial assets are reviewed to assess whether there is objective evidence of impairment. If any such evidence exists, any impairment loss is determined and recognised based on the classification of the financial asset.

The Group's financial assets consist primarily of listed and unlisted equities, bonds, loans and receivables, available-for-sale and prepayments for acquisitions of investments.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets that are either classified as held for trading or are designated by the entity to be carried at fair value through profit or loss upon initial recognition. Other financial assets at fair value through profit or loss held by the Group include listed and unlisted securities, bonds and trustee loans.

Purchase or sale of financial assets is recognised using trade date accounting. The trade date is the date that an entity commits itself to purchase or sell an asset.

Financial assets at fair value through profit or loss include trustee loans to banks and other parties where the Group receives interest and other income on the loans calculated based on the proceeds from the sales of specific assets held by the counterparties. Fair value is determined based on the expected future discounted cash flows from each loan.

Net changes in fair value of financial assets at fair value through profit or loss includes net of unrealised gains in fair value of financial assets and net gains from realisation of financial assets during the year.

3 Summary of significant accounting policies (continued)

Loans and receivables

All loans and receivables, except trustee loans classified as financial assets at fair value through profit or loss, are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in the Consolidated Statement of Income.

Discounting, however, is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment when they are overdue or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and other available features of shared credit risk characteristics. The percentage of the write-down is then based on recent historical counterparty default rates for each identified group. Impairment of trade and other receivables are presented within "other expenses".

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designed as available for sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at fair value through profit or loss. The Group's available-for-sale financial assets are investments in private entities.

After initial recognition, available-for-sale financial assets are measured at fair values. Gains and losses are recognised in other comprehensive income and reported within the available-for-sale reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognised in profit or loss. If the investments do not have a quoted market price in an active market and whose fair value cannot be reliably measured, such investments shall be measured at cost, less provision for impairment. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income. Impairment losses recognised in profit and loss for an investment in an equity instrument classified as available-for-sale shall not be reversed through profit or loss. Interest calculated using the effective interest method and dividends are recognised in profit or loss within 'finance income'.

3.12 Prepayments for acquisitions of investments

These represent prepayments made by the Group to investment/property vendors for land compensation and other related costs, and professional fees directly attributed to the projects, where the final transfer of the investment/property is pending the approval of the relevant authorities and/or is subject to either the Group or the vendor completing certain performance conditions set out in agreements. Such prepayments are measured initially at cost until such time as the approval is obtained or conditions are met, at which point they are transferred to appropriate investment accounts.

3.13 Financial liabilities

The Group's financial liabilities include trade and other payables, borrowings and other liabilities.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest related charges are recognised as an expense in finance costs in the Consolidated Statement of Income.

3 Summary of significant accounting policies (continued)

Trade payables are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest rate method.

Borrowings are raised for support of long-term funding of the Group's investments and are recognised at fair value plus direct transaction costs on initial recognition and thereafter at amortised cost under the effective interest rate method.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

3.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes all expenses directly attributable to the manufacturing process as well as suitable portions of related production overheads, based on normal operating capacity. Financing costs are not taken into consideration. Costs of ordinarily interchangeable items are assigned using the first in, first out cost formula. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

3.15 Impairment of assets

The Group's goodwill, available-for-sale financial assets, trade and other receivables, prepayments for acquisitions of investments, investment properties, and interests in associates are subject to impairment testing.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at the cash-generating unit level. Goodwill in particular is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which Management controls the related cash flows.

Goodwill and intangible assets with an indefinite life are tested for impairment annually, while other assets are tested when there is an indicator of impairment.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount unless the relevant asset is carried at a revalued amount under the Group's accounting policy, in which case the impairment loss is treated as a revaluation decrease, but only to the extent of the revaluation surplus for that same asset according to that policy. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate at the financial asset's original effective interest rate that reflects current market assessments of the time-value of money and the risks specific to the assets.

3.16 Taxation

Income tax

Current income tax assets and liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate based on the taxable profit for the year. Current and deferred tax shall be recognised as income or expense and included in profit or loss for the year. Current tax and deferred tax shall be charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity, and if the tax relates to items recognised in other comprehensive income, it is recognised in other comprehensive income.

3 Summary of significant accounting policies (continued)

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the consolidated financial statements with their respective tax bases. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and associates is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit or loss, nor taxable profit or loss.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the reporting date. Most changes in deferred tax assets or liabilities are recognised as a component of tax expense in the Consolidated Statement of Income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to other comprehensive income are charged or credited directly to other comprehensive income.

Current tax and deferred tax that relates to items recognised in other comprehensive income is recognised in other comprehensive income, and current tax and deferred tax that relates to items recognised directly in equity is recognised directly in equity.

Withholding taxes imposed on investment income

The Group currently incurs withholding taxes imposed by local jurisdictions on investment income. Such income is recorded gross of withholding taxes in the Consolidated Statement of Income.

3.17 Cash and cash equivalents

Cash and cash equivalents include cash in banks and on hand as well as short term highly liquid investments such as money market instruments and bank deposits with original maturity terms of not more than three months.

3.18 Non-current assets and liabilities classified as held for sale

When the Group intends to sell a non-current asset or a group of assets (a disposal group), and if the carrying amount will principally be recovered through sale, they are available for immediate sale in their present condition subject only to terms that are usual and customary for sale of such assets and sale is highly probable at the reporting date, the assets are classified as “held for sale” and presented separately in the Consolidated Statement of Financial Position in accordance with IFRS 5 “Non-current assets held for sale and discontinued operations”.

Liabilities are classified as “held for sale” and presented as such in the Consolidated Statement of Financial Position if they are directly associated with a disposal group.

Assets classified as “held for sale” are measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair values less costs to sell. However, some “held for sale” assets such as financial assets or deferred tax assets, continue to be measured in accordance with the Group's accounting policy for those assets. No assets classified as “held for sale” are subject to depreciation or amortisation, subsequent to their classification as “held for sale”.

3 Summary of significant accounting policies (continued)

3.19 Equity

Share capital is determined using the nominal value of shares that have been issued. Additional paid-in capital includes any premiums received on the initial issuance of the share capital. Any transaction costs associated with the issuing of shares are deducted from additional paid-in capital, net of any related income tax benefits.

Revaluation reserve represents the surplus arising on the revaluation of the Group associates' property, plant and equipment.

Currency translation differences on net investments in foreign operations are included in the translation reserve.

Retained earnings include all current and prior period results of operations as disclosed in the Consolidated Statement of Changes in Equity.

Changes in ownership interests in a subsidiary that do not result in gaining or losing control of the subsidiary are accounted for as equity transactions and are recorded in other reserve in Equity.

3.20 Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations are likely to lead to an outflow of economic resources from the Group that can be reliably estimated. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation and there is uncertainty about the timing or amount of the future expenditure required for settlement. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Long-term provisions are discounted to their present values, where the time value of money is material.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate of the Group's Management.

The Group does not recognise a contingent liability but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably.

A contingent asset is a possible asset that arises from past events, that's existence will be confirmed by uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses their existence when inflows of economic benefits are probable, but not certain.

3 Summary of significant accounting policies (continued)

3.21 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Parties are considered to be related to the Group if:

1. directly or indirectly, a party controls, is controlled by, or is under common control with the Group; has an interest in the Group that gives it significant influence over the Group; or has joint control over the Group;
2. a party is a jointly-controlled entity;
3. a party is an associate;
4. a party is a member of the key management personnel of the Group; or
5. a party is a close family member of the above categories.

3.22 Segment analysis

An operating segment is a component of the Group:

1. that engages in investment activities from which it may earn revenues and incur expenses;
2. whose operating results are based on internal management reporting information that is regularly reviewed by the Investment Manager to make decisions about resources to be allocated to the segment and assess its performance; and
3. for which discrete financial information is available.

3.23 Earnings per share and net asset value per share

The Group presents basic earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

Net asset value ("NAV") per share is calculated by dividing the net asset value attributable to ordinary shareholders of the Company by the number of outstanding ordinary shares as at the reporting date. NAV is determined as total assets less total liabilities and non-controlling interests.

4 Critical accounting estimates and judgements

When preparing the consolidated financial statements, Management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by the Company's Management, and may not equal the estimated results. Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

Fair value of available for sale financial assets

The fair value of investments in private equities is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting date. The outcomes may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Fair value of investment properties

The investment properties of the Group and its undertakings and its associates are stated at fair value in accordance with accounting policy 3.10. The fair values of investment properties, leasehold land and buildings are based on valuations by independent professional valuers including: CB Richard Ellis, Savills, Jones Lang LaSalle, Colliers, Sallmanns and HVS. These valuations are based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. The estimated fair values provided by the independent valuation companies are used

4 Critical accounting estimates and judgements (continued)

by the Valuation Committee as the primary basis for estimating each property's fair value for recommendation to the Board. In making its judgement, the Valuation Committee considers information from a variety of sources, including:

(i) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;
(ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices;
(iii) recent developments and changes in laws and regulations that might affect zoning and/or the Group's ability to exercise its rights in respect to properties and therefore fully realise the estimated values of such properties; and
(iv) discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of external evidence such as current market rents and sales prices for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

Fair value of financial assets at fair value through profit or loss

Listed securities are quoted at the bid price at each reporting date. For unlisted securities which are traded in an active market, the fair value is the average quoted bid price obtained from a minimum sample of three reputable securities companies at the reporting date.

The fair value of financial assets that are not traded in an active market (for example, unlisted securities where market prices are not readily available) is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting date. Independent valuations are also obtained from appropriately qualified independent valuation firms to evaluate and adjust valuations. The outcomes may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (see Note 29).

Impairment

Other assets

The Group's goodwill, prepayments for acquisitions of investments, other assets and interests in associates are subject to impairment testing in accordance with the accounting policy 3.15.

Trade and other receivables

The Group's Management determines the provision for impairment of trade and other receivables on a regular basis. This estimate is based on the credit history of its customers and prevailing market conditions.

Impairment of available-for-sale financial assets

Whenever there is an indication of impairment of an available-for-sale financial asset, the Valuation Committee and Management will assess the need for an impairment adjustment. The estimation of impairment adjustments is based on the same principles used to adjust the periodic independent valuations as mentioned above.

Business combinations

On initial recognition, the assets and liabilities of the acquired business are included in the Consolidated Statement of Financial Position at their fair values. In measuring fair value Management uses estimates about future cash flows and discount rates or independent valuation for investment properties and property, plant and equipment.

5 Segment analysis

In identifying its operating segments, Management generally follows the Group's sectors of investment which are based on internal management reporting information for the Investment Manager's management, monitoring of investments and decision making. The operating segment by investment portfolio includes capital markets, real estate (real estate and hospitality), private equity and cash (including cash and cash equivalents, corporate bonds, and short-term deposits) sectors.

Each of the operating segments are managed and monitored individually by the Investment Manager as each requires different resources and approaches. The Investment Manager assesses segment profit or loss using a measure of operating profit or loss from the investment assets. Although IFRS 8 requires measurement of segmental profit or loss, the majority of expenses are common to all segments therefore cannot be individually allocated. There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

Segment information can be analysed as follow:

Consolidated Statement of Income

	Year ended 30 June 2011				
	Capital markets USD'000	**Real Estate USD'000**	**Private equity USD'000**	**Cash USD'000**	**Total USD'000**
Revenue	-	-	8,797	-	**8,797**
Finance income	16,334	157	901	4,069	**21,461**
Share of profits of associates	-	15,413	11	-	**15,424**
Other income	-	5,876	1,070	-	**6,946**
Net losses from fair value adjustments of investment properties	-	(301)	-	-	**(301)**
Net changes in fair value of financial assets at fair value through profit or loss	-	-	-	-	**-**
– Listed and unlisted securities	(52,575)	-	-	-	**(52,575)**
– Corporate bonds	55	-	-	-	**55**
	(36,186)	21,145	10,779	4,069	**(193)**
Cost of sales	-	-	(7,059)	-	**(7,059)**
Selling, general and administration expenses					**(20,155)**
Other expenses					**(4,056)**
Finance expenses					**(4,171)**
Loss before income tax					**(35,634)**
Withholding taxes imposed on investment income					**(342)**
Corporate income tax					**(203)**
Net loss					**(36,179)**

5 Segment analysis (continued)

The relevant comparative segment information for the prior year is presented below:

	Year ended 30 June 2010				
	Capital markets USD'000	Real estate USD'000	Private equity USD'000	Cash USD'000	Total USD'000
Revenue	-	-	9,333	-	9,333
Finance income	12,857	209	241	1,168	14,475
Share of profits of associates	-	12,978	2,289	-	15,267
Other income	2,426	203	4	-	2,633
Net losses from fair value adjustments of investment properties	-	(72)	-	-	(72)
Net changes in fair value of financial assets at fair value through profit or loss					
– Listed and unlisted securities	96,495	-	-	-	96,495
– Corporate bonds	400	-	-	-	400
	112,178	13,318	11,867	1,168	138,531
Cost of sales	-	-	(7,673)	-	(7,673)
Selling, general and administration expenses					(21,374)
Other expenses					(1,600)
Finance expenses					(2,668)
Profit before income tax					105,216
Withholding taxes imposed on investment income					(211)
Corporate income tax					-
Net profit					105,005

5 Segment analysis (continued)

Consolidated Statement of Financial Position

	As at 30 June 2011				
	Capital markets	Real estate	Private equity	Cash, corporate bonds and short-term investments	Total
	USD'000	USD'000	USD'000	USD'000	USD'000
Total assets					
Financial assets at fair value through profit or loss					
– Consumer staples	87,835	-	-	-	**87,835**
– Construction	48,614	-	-	-	**48,614**
– Financial services	57,761	-	-	-	**57,761**
– Rubber and fertiliser	25,898	-	-	-	**25,898**
– Energy, minerals and petroleum	24,680	-	-	-	**24,680**
– Pharmaceuticals	11,359	-	-	-	**11,359**
– Real estate	59,537	5,000	-	-	**64,537**
– Other securities	51,717	-	-	-	**51,717**
– Corporate bonds	-	-	-	11,381	**11,381**
Investment properties	-	3,445	-	-	**3,445**
Investments in associates	-	195,806	3,773	-	**199,579**
Long-term loan receivables from related parties	-	51,836	-	-	**51,836**
Prepayments for acquisitions of investments	-	8,986	-	-	**8,986**
Available for sale financial assets	-	6,111	10,812	-	**16,923**
Other long-term assets	-	-	667	-	**667**
Cash and cash equivalents	-	-	-	62,968	**62,968**
Short-term investments	-	-	-	27	**27**
Inventories	-	-	2,380	-	**2,380**
Other current assets	2,680	31,045	285	-	**34,010**
	370,081	**302,229**	**17,917**	**74,376**	**764,603**

5 Segment analysis (continued)

The relevant comparative segment information for the prior year is presented below:

	As at 30 June 2010				
	Capital markets	Real estate	Private equity	Cash, corporate bonds and short-term investments	Total
	USD'000	USD'000	USD'000	USD'000	USD'000
Total assets					
Financial assets at fair value through profit or loss					
– Consumer staples	101,608	-	-	-	101,608
– Construction	70,471	-	-	-	70,471
– Financial services	68,626	-	-	-	68,626
– Rubber and fertiliser	27,655	-	-	-	27,655
– Energy, minerals and petroleum	34,853	-	-	-	34,853
– Pharmaceuticals	9,454		-		9,454
– Real estate	100,199	-	-	-	100,199
– Other securities	36,784	-	-	-	36,784
– Corporate bonds	-	-	-	5,876	5,876
Investment properties	-	6,700	-	-	6,700
Investments in associates	-	170,415	24,273	-	194,688
Long-term loan receivables from related parties	-	47,718	-	-	47,718
Prepayments for acquisitions of investments	-	10,491	-	-	10,491
Other long-term financial assets	-	1,170	-	-	1,170
Available for sale financial assets	-	3,216	3,700	-	6,916
Other long-term assets	-	2	102	-	104
Cash and cash equivalents	-	-	-	50,033	50,033
Short-term investments	-	-	-	428	428
Inventories	-	-	2,437	-	2,437
Other current assets	2,342	11,968	3,299	-	17,609
	451,992	251,680	33,811	56,337	793,820

The Group's revenues, investment income and non-current assets (other than financial instruments, investments accounted for using the equity method, deferred tax assets and post-employment benefit assets) are divided into the following geographical areas:

	Year ended 30 June 2011		Year ended 30 June 2010	
	Revenue and income	**Non-current assets**	Revenue and income	Non-current assets
	USD'000	**USD'000**	USD'000	USD'000
Vietnam	**(22,289)**	**20,368**	118,542	13,630
Other countries	**(274)**	**-**	2,089	-
Total	**(22,563)**	**20,368**	120,631	13,630

Revenues and investment income includes revenue from operations, financial income and net gain or loss on fair value adjustments of investment properties and financial assets at fair value through profit or loss, have been identified based on the location of operations and/or investments. Non-current assets are allocated based on their physical locations.

The Group does not rely on major customer therefore information about major customers are excluded from this disclosure.

6 Subsidiaries

Additional acquisition of 25% equity interest of American Home Limited

At 30 June 2010 the Group held a 75% interest in American Home Limited, a subsidiary incorporated in Vietnam. The principal activity of this company is to manufacture and sell building materials. In December 2010, the Group acquired a further 25% equity interest for USD0.6 million which brings the Group's total equity interest in the project to 100% at the reporting date. The difference of USD0.4 million between the percentage change in non-controlling interests and the consideration paid has been recognised directly in equity.

Disposal of 50% equity interest in VOF PE Holding 1 Limited

During the year, the Group disposed of its 50% interest in VOF PE Holding 1 Limited, a subsidiary incorporated in BVI for the consideration of USD1.22 million. The fair value of the net assets at the disposal date was USD0.42 million. The resulting gain has been recorded in the Consolidated Statement of Income (Note 21).

Disposal of Vanguard Era Investment Ltd

During the year, the Group disposed of its 50% interest in Vanguard Era Investment Ltd, a subsidiary incorporated in BVI for the consideration of USD8.5 million. The fair value of the net assets at the disposal date was USD4.23 million. The resulting gain has been recorded in the Consolidated Statement of Income (Note 21).

The details of the Group's subsidiaries as of 30 June 2011 are shown below:

Name	Place of incorporation /operations	Contributed share capital (USD)	Percentage interest held by the Group	Principal activities
Asia Value Investment Ltd	BVI	4,730,000	100%	Investment
Vietnam Enterprise Ltd	BVI	61,460,000	100%	Investment
Vietnam Investment Property Ltd	BVI	8,750,000	100%	Investment
Vietnam Investment Property Holdings Ltd	BVI	12,600,000	100%	Investment
Vietnam Investment Ltd	BVI	19,320,000	100%	Investment
Vietnam Ventures Ltd	BVI	7,100,000	100%	Investment
VOF Investment Ltd	BVI	670,700,000	100%	Investment
Vina QSR Limited	BVI	1,610,000	100%	Investment
Indochina Building Supplies Pte Ltd	Singapore	2,956,346	100%	Building materials
American Home Limited	Vietnam	23,400,000	100%	Building materials
Indotel Limited	Singapore	17,734,008	100%	Hospitality
Pegasus Leisure Limited	BVI	2,413,592	100%	Property
Saigon Water Park Co Ltd	Vietnam	2,475,200	100%	Property
PA Investment Opportunity II Limited	BVI	14,951,368	100%	Investment
VOF PE Holding 2 Limited	BVI	10,100,000	100%	Investment
VOF PE Holding 3 Limited	BVI	-	100%	Investment
DTL Education Holding Ltd	BVI	15,000,000	100%	Investment
Vinasugar Holding Ltd	BVI	-	100%	Investment
Vietnam Master Holding 2 Ltd	BVI	-	100%	Investment
Allright Assets Ltd	BVI	-	100%	Investment
SE Asia Master Holding 7	Singapore	4,000,000	100%	Investment
VinaLand Heritage Ltd	BVI	-	100%	Investment

7 Investment properties

	Year ended 30 June 2011 USD'000	Year ended 30 June 2010 USD'000
Opening balance	**6,700**	6,906
Additions during the year	**-**	201
Reclassified as held for sale (Note 15)	**(245)**	-
Net losses from fair value adjustments of investment properties	**(301)**	(72)
Disposals of investment properties(*)	**(2,344)**	-
Translation differences	**(365)**	(335)
Closing balance	**3,445**	6,700

(*) This pertains to the disposal of Binh Trieu project for USD2.7 million. The disposal resulted in a gain of USD0.4 million which is presented as part of other income (Note 21).

8 Prepayments for acquisitions of investments

	Year ended 30 June 2011 USD'000	Year ended 30 June 2010 USD'000
Opening balance	**10,491**	14,144
Disposal (*)	**(1,505)**	-
Transferred to Investments in associates	**-**	(3,000)
Written-off	**-**	(653)
Closing balance	**8,986**	10,491

These pertain to payments made by the Group to investment/property vendors where the final transfer of the property/investment is pending the approval of the relevant authorities and/or is subject to either the Group or the vendor completing certain performance conditions as defined in the respective agreements.

(*) In October 2010, the Group sold its right to invest in Hoi An Development Ltd to VinaLand Limited for USD1.9 million resulting in a gain from disposal amounting to USD0.4 million (Note 21).

9 Investments in associates

	Year ended 30 June 2011 USD'000	Year ended 30 June 2010 USD'000
Opening balance	**194,688**	148,435
Additions	**7,038**	17,650
Share of profits of associates (Note 26)	**15,424**	15,267
Share of associates' changes in revaluation reserves, net of tax (Note 17 and Note 26)	**6,320**	(2,362)
Transferred from prepayments for acquisitions of investments	**-**	3,000
Transferred to available for sale financial assets (Note 10)	**(2,895)**	-
Reclassified as held for sale (Note 15)	**(12,104)**	-
Transferred to financial assets at fair value through profit or loss	**(1,912)**	-
Transferred from receivables from related parties	**-**	17,305
Dividends received	**(1,500)**	(1,534)
Disposals	**(5,125)**	(2,543)
Written-off	**-**	(312)
Translation differences	**(355)**	(218)
Closing balance	**199,579**	194,688

9 Investments in associates (continued)

Additional capital contributions

During the year, the Group made further contributions of USD7.0 million to Prosper Big Ltd (21st Century Project), Phu Hoi City Co Limited (Licogi 16 Project), Cypress Assets Ltd (Sheraton Nha Trang), Saigon Golf JSC (Saigon Golf Project) and Vietnam Property Holding Ltd (Danang Golf Course Project). The Group's levels of interest in these entities are unchanged.

Dilution of interest

During the year, the Group decided not to contribute further to House & Urban Development Financial Investment Co following a call announcement for capital contributions from the entity. This resulted in the dilution of its interest from 30% to 18% as at reporting date. As a result, the Group has lost significant influence over this entity and as a consequence, the carrying value of its investment amounting to USD2.9 million was reclassified to available for sale financial assets.

Change in equity interest

As at 30 June 2010, the Group held 60% equity interest in International School HCMC through VOF PE Holding 1 Limited, Vanguard Era Investment Ltd and VOF PE Holding 3 Limited. As a result of the disposals of VOF PE Holding 1 Limited and Vanguard Era Investment Ltd, the Group's equity interest in International School HCMC was reduced from 60% to 20% and as a result the Group lost significant influence over this entity. As a consequence, the carrying value of its remaining interest amounting to USD2.9 million was reclassified to financial assets at fair through profit or loss at the reporting date.

The details of the Group's significant operating associates and their summarised financial information, extracted from their statutory audited/reviewed and/or management accounts as at 30 June 2011 are as follow:

	Incorpor-ation/ operation	Direct & indirect equity interest held	Principal activity	Assets	Liabilities	Income	Net profit/ (loss)
		%		USD'000	USD'000	USD'000	USD'000
S.E.M Thong Nhat Hotel Metropole (1)	Vietnam	50	Hospitality	49,569	12,770	16,892	3,445
Thang Loi Textile & Garment JSC	Vietnam	49	Textile & Garment	9,660	7,380	2,304	83
Hung Vuong Corporation	Vietnam	40.91	Property	38,957	22,804	3,733	893
VinaCapital Commercial Center Limited (Phase I: 12.75%, Phase II: 25%)	BVI	37.75	Property	85,001	36,118	2,726	5,469
Pho Viet Joint Stock Co	Vietnam	32.5	Food & Beverage	2,943	1,857	2,050	88
Phong Phu Investment Development Ltd	Vietnam	30	Investment	33,107	24,015	158	(80)
Vietnam Property Holding Ltd	BVI	25	Property	149,918	103,379	39,008	27,038
Prosper Big Ltd	BVI	25	Property	149,923	72,902	18,835	16,748
VinaCapital Danang Resorts Ltd	BVI	25	Property	86,152	57,534	22,073	(484)
Roxy Assets Ltd	BVI	25	Hospitality	27,247	28,583	9,344	(3,023)
Maplecity Investment Limited	BVI	25	Hospitality	55,038	36,767	8,941	(533)
Standbrook Global Ltd	BVI	25	Property	52,062	53,446	6,535	6,405
VinaLand Espero Limited	BVI	25	Property	91,677	77,231	4,166	4,175

	Incorpor-ation/ operation	Direct & indirect equity interest held	Principal activity	Assets	Liabilities	Income	Net profit/ (loss)
		%		USD'000	USD'000	USD'000	USD'000
Sunbird Group Ltd	BVI	25	Property	12,738	15,506	503	175
Pacific Alliance Land Ltd	BVI	25	Property	112,981	48,057	13,619	10,270
Cypress Assets Ltd	BVI	23	Hospitality	46,923	86,101	6,542	(8,456)
Kinh Do Property JSC	Vietnam	23	Property	29,718	2,188	87	(7,713)
Saigon Golf JSC	Vietnam	20	Property	7,210	1	330	72
Vina Dai Phuoc Corporation [2]	BVI	18	Property	118,376	76,744	961	(1,686)
Phu Hoi City Company Limited[2]	Vietnam	17.5	Property	48,238	29,306	3,037	2,492

(1) At the reporting date, the Group effectively has a 50% equity interest in SEM Thong Nhat Hotel Metropole (via the 100% interest in Indotel Limited – Note 6). The Group does not have any control or joint control of this entity due to its limited representation on the Board. The Group though has significant influence since it has the power to participate in the financial and operating policies of the entity, and are therefore this investment is treated as an associate.

(2) The Group holds 18%, 17.5% and 15.5% interest, respectively in Vina Dai Phuoc Corporation, Phu Hoi City Company Limited (Licogi 16 project), and Vina Alliance Limited through Pacific Alliance Land Ltd (Vinataba project), respectively. These entities are subsidiaries of VinaLand Limited, however the Group has significant influence since it has the power to participate in the financial and operating policies of the entities, and are therefore treated as associates in the Group consolidated financial statements.

10 Available for sale financial assets

	30 June 2011	30 June 2010
	USD'000	USD'000
Yen Viet Joint Stock Company	7,112	-
Indochina Industries Food Pte Ltd	13,100	13,100
House & Urban Development Financial Investment Co (Note 9)	2,895	-
Thang Loi Land Joint Stock Company	2,889	2,889
AA Corporation	526	526
	26,522	16,515
Impairment losses	(9,599)	(9,599)
	16,923	6,916

Investment in Yen Viet Joint Stock Company

In April 2011, the Group acquired a 20% interest in Yen Viet Joint Stock Company USD7.1 million. The Group does not have significant influence or control over the entity since it has no power to participate in or control over the financial and operating policies of the entity and therefore treated the investment as available for sale financial assets.

In 2009, the Group recognised impairment losses of USD9.4 million and USD0.2 million with respect to its investments in Indochina Industries Food Pte Ltd and AA Corporation, respectively. No further indications of impairment were noted after that.

11 Trade and other receivables

	30 June 2011	30 June 2010
	USD'000	USD'000
Trade receivables	**969**	2,034
Receivable from matured bonds	**3,480**	3,808
Interests receivables from related parties	**728**	1,351
Dividend receivables	**1,583**	-
Receivable from disposal of investment property	**1,958**	-
Short-term loan receivable from third parties	**2,985**	-
Other current assets	**1,236**	936
	12,939	8,129
Allowance	**(4,225)**	(2,084)
	8,714	6,045

As all trade and other receivables are short-term in nature, their carrying values are considered reasonable approximations of their fair values at the reporting date.

12 Financial assets at fair value through profit or loss

	30 June 2011	30 June 2010
	USD'000	USD'000
Financial assets at fair value through profit or loss:		
Financial assets in Vietnam:		
Ordinary shares – listed	**241,521**	298,675
Ordinary shares – unlisted	**93,428**	115,422
Corporate bonds (*)	**11,381**	5,876
Financial assets in countries other than Vietnam:		
Ordinary shares – listed (**)	**37,452**	35,553
Total financial assets at fair value through profit or loss	**383,782**	455,526

(*) Corporate bonds carry fixed interest rates ranging from 8.0% to 15% and will mature in 2012.

(**) During the year, the Group purchased an additional 6,218,269 ordinary shares of VinaLand Limited, bringing the total number ordinary shares held by the Group to 36,216,326 ordinary shares, which represents a 7.24% interests in VinaLand Limited.

The financial assets are denominated in the following currencies:

	30 June 2011	30 June 2010
	USD'000	USD'000
Vietnam Dong	**346,330**	419,973
Other currencies	**37,452**	35,553
	383,782	455,526

The carrying amounts disclosed above are the Group's maximum possible credit risk exposure in relation to these instruments. See Note 28 for further information on the Group's exposure to financial risk.

13 Categories of financial assets and liabilities

The carrying amounts presented in the consolidated statement of financial position relate to the following categories of assets and liabilities:

	Notes	30 June 2011 USD'000	30 June 2010 USD'000
Financial assets			
Financial assets held for trading (carried at fair value through profit or loss):			
Ordinary shares – listed and unlisted	12	**372,401**	449,650
Corporate bonds	12	**11,381**	5,876
		383,782	455,526
Available for sale financial assets (carried at fair value through other comprehensive income)	10	**16,923**	6,916
Financial assets carried at amortised costs:			
Trade and other receivables	11,26	**73,497**	65,327
Cash and cash equivalents	14	**62,968**	50,033
		136,465	115,360
		537,170	577,802
Financial liabilities			
Financial liabilities measured at amortised cost:			
Non-current:			
Other long term liabilities		**55**	-
Current:			
Trade and other payables	18,26	**12,541**	9,791
		12,596	9,791

The fair values of financial assets and liabilities are presented in the related notes. The Group's risk management objectives and policies for financial instruments are set out in Note 28.

14 Cash and cash equivalents

	30 June 2011 USD'000	30 June 2010 USD'000
Cash on hand	**106**	18
Cash in banks	**42,706**	25,405
Cash equivalents	**20,156**	24,610
	62,968	50,033

Cash equivalents represent short-term deposits with annual interest rates of 0.5% and 14.0% for USD and VND accounts, respectively. These deposits have maturity terms from one to two months from the reporting date.

The cash and cash equivalents are denominated in the following currencies:

	30 June 2011 USD'000	30 June 2010 USD'000
Vietnam Dong	**26,620**	24,650
United States Dollar	**34,204**	25,383
Other currencies	**2,144**	-
	62,968	50,033

15 Assets and liabilities classified as held for sale

The summary of the assets/(liabilities) held for sale at the reporting date:

	Assets classified as held for sale USD'000	Liabilities classified as held for sale USD'000	Net assets classified as held for sale USD'000	Attributable to Non-controlling interests USD'000	Attributable to Equity shareholders of the parent USD'000
Hoan My Medical Corporation JSC	12,104	-	12,104	-	12,104
Saigon Water Park Co Ltd	245	-	245	-	245
	12,349	**-**	**12,349**	**-**	**12,349**

There were no assets and liabilities classified as held for sale at 30 June 2010.

Hoan My Medical Corporation JSC

As at 30 June 2011, the Group intends to dispose of its 28.8% interest in Hoan My Medical Corporation JSC and this is supported by an agreement signed in August 2011. The ownership of the equity interest will be passed to the Purchaser when all the terms in the agreement are met which is after the date of approval of the consolidated financial statements. Consequently, the carrying value of the investment was classified as assets held for sale at the reporting date.

Saigon Water Park Co Ltd

In June 2011, the Group entered into an agreement to dispose of its 100% interest in Saigon Water Park Co Ltd, however, control of the entity will not be passed to the Purchaser until all the terms in the agreement are met which is after the date of approval of the consolidated financial statements. Consequently, the assets and liabilities of Saigon Water Park Co Ltd were classified as held for sale assets/liabilities at the reporting date.

16 Share capital

	30 June 2011 Number of shares	**30 June 2011** USD'000	30 June 2010 Number of shares	30 June 2010 USD'000
Authorised:				
Ordinary shares of USD0.01 each	**500,000,000**	**5,000**	500,000,000	5,000
Issued and fully paid:				
Opening balance	**324,610,259**	**3,246**	324,610,259	3,246
Closing balance	**324,610,259**	**3,246**	324,610,259	3,246

17 Revaluation reserve

	Year ended 30 June 2011 USD'000	Year ended 30 June 2010 USD'000
Opening balance	**21,193**	25,958
Share of associates' changes in revaluation reserves (Note 9)	**6,320**	(2,362)
Less: disposal of an associate	**-**	(2,403)
Closing balance	**27,513**	21,193

18 Trade and other payables

	30 June 2011	30 June 2010
	USD'000	USD'000
Trade payables	**1,702**	1,205
Deposits received for conditional sale of assets post reporting date	**-**	760
Tax payable	**769**	-
Unearned revenues	**367**	-
Other accrued liabilities	**-**	728
Other payables	**1,094**	1,396
	3,932	4,089

As all trade and other payables are short-term in nature, their carrying values are considered a reasonable approximation of their fair values.

19 Net changes in fair value of financial assets at fair value through profit or loss

	Year ended	
	30 June 2011	30 June 2010
	USD'000	USD'000
Unrealised (losses)/gains in fair value of financial assets	**(74,691)**	61,064
Unrealised gains in fair value of financial assets	***17,503***	*88,777*
Unrealised losses in fair value of financial assets	***(92,194)***	*(27,713)*
Realised gains in fair value of financial assets	**22,171**	35,831
Realised gains in fair value of financial assets	***26,385***	*38,785*
Realised losses in fair value of financial assets	***(4,214)***	*(2,954)*
	(52,520)	96,895

During the year, the net unrealised gains/(losses) in fair value of financial assets at fair value through profit or loss of USD74.7 million is consistent with the fair value movement of the Vietnam market through respective reductions in the VN-Index and the HN-Index from 507.66 points and 160.78 points as at 30 June 2010 to 439.7 points and 76.27 points as at 30 June 2011.

20 Selling, general and administration expenses

	Year ended	
	30 June 2011	30 June 2010
	USD'000	USD'000
Management fees (Note 26)	**14,488**	15,372
Professional fees	**2,714**	2,433
General administration and selling expenses (*)	**1,338**	1,549
Other expenses	**1,615**	2,020
	20,155	21,374

(*) The majority of these expenses relate to operating expenses incurred by the subsidiaries of the Group.

21 Other income

	Year ended	
	30 June 2011	30 June 2010
	USD'000	USD'000
Gains on disposal of investments in:	**5,876**	1,035
Associates (Note 6)	***5,092***	*1,035*
Investment properties (Note 7)	***356***	-
Prepayments for acquisitions of investments (Note 8)	***428***	-
Consulting income	**443**	-
Other income	**627**	1,598
	6,946	2,633

22 Finance income and expenses

	Year ended	
	30 June 2011	30 June 2010
	USD'000	USD'000
Interest income	**4,142**	3,825
From cash and term deposits	***1,704***	*976*
From corporate bonds	***938***	*216*
From loans to associates	***1,298***	*2,433*
From others	***202***	*200*
Dividend income	**16,725**	9,938
Realised gains from foreign currency exchange differences	**594**	712
Finance income	**21,461**	14,475
Realised losses on foreign currency exchange differences	**(3,055)**	(2,151)
Interest expenses	**(460)**	(265)
Unrealised losses from foreign currency exchange differences	**(656)**	(252)
Finance expenses	**(4,171)**	(2,668)

23 Corporate income tax

VinaCapital Vietnam Opportunity Fund Limited is domiciled in the Cayman Islands. Under the current laws of the Cayman Islands, there are no income, state, corporation, capital gains or other tax payable by the Company.

The majority of the Group's subsidiaries are domiciled in the British Virgin Islands ("BVI") and so have a tax exempt status. Some of the subsidiaries are established in Singapore and have offshore operations in Vietnam. The income from these offshore operations is also tax exempt in Singapore.

A small number of subsidiaries are established in Vietnam and are subject to corporate income tax in Vietnam. The provision for corporate income tax for these Vietnamese subsidiaries for the year ended 30 June 2011 amounted to USD0.2 million (30 June 2010: nil). The corporate income tax payable at all of the Vietnamese subsidiaries is USD0.6 million (30 June 2011: nil)

Under the laws of Vietnam, tax losses can be carried forward to offset against future taxable income over the next five years from the year the loss was incurred. The Group did not recognise any deferred income taxes from approximately of USD2.8 million of tax losses due to uncertainty over their recoverability.

24 Earnings per share

(a) Basic earnings/(losses) per share

Basic earnings/(losses) per share is calculated by dividing the profits/(losses) attributable to the shareholders of the Group by the weighted average number of ordinary shares in issue during the year.

	30 June 2011	30 June 2010
(Loss)/profit attributable to equity holders of the Company (USD'000)	**(36,285)**	104,694
Weighted average number of ordinary shares on issue	**324,610,259**	324,610,259
/(Losses)/basic earnings per share (USD per share)	**(0.11)**	0.32

(b) Diluted earnings per share

Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group has no category of potentially dilutive ordinary shares. Therefore, diluted EPS are equal to basic EPS.

(c) Net asset value per share

Net asset value (NAV) per share is calculated by dividing the net asset value attributable to ordinary shareholders of the Company by the number of outstanding ordinary shares as at the reporting date. Net asset value is determined as total assets less total liabilities and non-controlling interests.

	30 June 2011	30 June 2010
Net asset value (USD'000)	**751,906**	782,501
Number of outstanding ordinary shares	**324,610,259**	324,610,259
Net asset value per share (USD per share)	**2.32**	2.41

25 Directors' and Management's remuneration

The aggregate director fee amounted to USD195,000 (year ended 30 June 2010: USD193,000), of which there was no outstanding payable at the reporting date (30 June 2010: nil).

The details remuneration for each director are summarised below:

	Year ended	
	30 June 2011	30 June 2010
	USD'000	USD'000
Short-term benefits		
William Vanderfelt	**75**	75
Martin Glynn	**60**	60
Michael Gray	**60**	58
	195	193

At the EGM on 17 June 2009, the shareholders approved a resolution to increase Directors' remuneration to a maximum amount of USD300,000 per year, subject to the condition that any fees paid in excess of USD60,000 for services rendered from 1 July 2007 shall result in a corresponding reduction in the management fee paid to VinaCapital Investment Management Limited, the Investment Manager (Note 26).

The Board of Management and certain other individuals who act on behalf of the Group are remunerated by the Investment Manager. However, it is not possible to specifically allocate their costs to the Group. Part of the management fees disclosed in Note 26 can be allocated to the remuneration of these individuals.

26 Related party transactions and balances

Management fees

During the first half of the current fiscal year, the Group was managed by VinaCapital Investment Management Limited (the "BVI Investment Manager"), a company incorporated in the British Virgin Islands ("BVI"), under a management agreement dated 24 September 2003 (the "Management Agreement"). From 1 January 2011, the Group was managed by VinaCapital Investment Management Limited (the "CI Investment Manager"), a 100% owned subsidiary company of the BVI Investment Manager incorporated and registered as a licenced fund manager in the Cayman Islands ("CI"), under the novation agreement between the BVI Investment Manager and the CI Investment Manager. The Investment Managers receive a fee based on the net asset value of the Group, payable monthly in arrears, at an annual rate of 2% (30 June 2010: 2%).

Total management fees for the year amounted to USD14,487,873 (30 June 2010: USD15,372,000), of which USD5,745,000 (30 June 2010: USD2,242,000) were outstanding at the reporting date.

Performance fees

In accordance with the Management Agreement, the Investment Manager is also entitled to a performance fee equal to 20% of the increase in the net asset value over the higher of a realised return over an annualised compounding hurdle rate of 8% and high watermark.

There were no performance fees payable in the year (30 June 2010: nil) and no amounts were payable to the Investment Manager at the reporting date (30 June 2010: nil).

Placement fees

When raising capital through the issuance of new Ordinary Shares, a commission equal to 3% of the subscription price multiplied by the total number of the shares allotted by the Group on admission is payable by the Group to the Investment Manager. The Investment Manager is responsible for paying placing agents that are engaged in respect to such subscriptions. The net proceeds of share subscriptions are recorded after netting off placement fees.

There were no placement fees payable in the year (30 June 2010: nil) and no amounts were payable to the Investment Manager at the reporting date (30 June 2010: nil).

Other related party transactions and balances

During the year, the following significant transactions with related parties were recorded as follow:

		Transactions (USD'000)			
Related party	**Relation-ship**	**Year ended 30 June 2011**		Year ended 30 June 2010	
		Share of profits/ (losses)	**Share of change in revaluation reserves**	Share of profits/ (losses)	Share of change in revaluation reserves
S.E.M Thong Nhat Hotel Metropole	Associate	**3,024**	**6,063**	2,249	(2,483)
House & Urban Development Financial Investment Co	Associate	**(6)**	**-**	44	-
Hung Vuong Corporation	Associate	**868**	**-**	(1,023)	-
Kinh Do Property JSC	Associate	**(115)**	**-**	1,599	-
Pho Viet Joint Stock Company	Associate	**11**	**-**	5	-
T.D Company	Associate	**-**	**-**	(147)	-
Phong Phu Investment Development JSC	Associate	**3**	**-**	8	-
Thang Loi Textile & Garment JSC	Associate	**157**	**-**	709	-
Saigon Golf JSC	Associate	**(14)**	**-**	12	-
International School of Ho Chi Minh City	Associate	**1,040**	**-**	1,026	-

26 Related party transactions and balances (continued)

Related party	Relationship	Transactions (USD'000) Year ended 30 June 2011 Share of profits/ (losses)	Year ended 30 June 2011 Share of change in revaluation reserves	Year ended 30 June 2010 Share of profits/ (losses)	Year ended 30 June 2010 Share of change in revaluation reserves
Hoan My Medical Corporation JSC	Associate	**1,507**	**-**	498	-
Phu Hoi City Company Limited	Associate	**208**	**-**	(1,683)	-
Vina Dai Phuoc Corporation	Associate	**558**	**-**	3,804	-
VinaLand Limited subsidiaries	Associate	**8,183**	**257**	8,166	120
		15,424	**6,320**	15,267	(2,363)

During the year, the Group engaged VinaSecurities Joint Stock Company, a related party, as a securities broker. An amount of USD4,592 (30 June 2010: USD16,000) had been paid to this broker relating to securities trading transactions which is based on the standard rates.

At 30 June 2011, the details of the non-current receivable balances with related parties are as shown below:

Related party	Relationship	Transactions	Receivables 30 June 2011 USD'000	Receivables 30 June 2010 USD'000
Non-current assets				
VinaLand Limited subsidiaries	Under common management	Loan receivables (*)	**47,991**	42,631
Hung Vuong Corporation	Associate	Loan	**3,845**	5,087
			51,836	47,718

(*) Loan receivables represent the Group's share of loans provided to its associates on joint investments in real estate projects with VinaLand Limited (VNL). The loans are unsecured, bear interest at the 6-month SIBOR plus 3%, and are repayable on demand or on disposal of the related investments. The amount of each loan is based on the respective ownership of VNL and the Group in each subsidiary. The loans are carried at amortised cost in the Consolidated Statement of Financial Position. Interest income earned for the year has been waived by the Group.

The details of these loan receivables at the reporting date are as follow:

	30 June 2011 USD'000	30 June 2010 USD'000
VinaCapital Danang Resorts Limited	**3,376**	3,376
Cypress Assets Limited	**721**	631
Prosper Big Investment Limited	**12,073**	12,073
Avante Global Limited	**2,998**	2,998
VinaLand Espero Limited	**9,261**	9,261
Maplecity Investments Limited	**5,951**	5,951
Sunbird Group Limited	**1,259**	1,259
Vietnam Property Holding Limited	**4,765**	4,765
VinaCapital Commercial Center Limited	**5**	5
Standbrook Limited	**6,410**	1,210
Roxy Assets Limited	**2,350**	2,279
Others	**32**	33
	49,201	43,841
Allowance	**(1,210)**	(1,210)
	47,991	42,631

26 Related party transactions and balances (continued)

At 30 June 2011, the details of the current receivables and payables balances with related parties are as shown below:

Related party	Relationship	Transactions	Receivables 30 June 2011 USD'000	30 June 2010 USD'000
Current assets				
VinaLand Limited subsidiaries	Under common management	Dividend receivables	**613**	613
		Others	**2,040**	1,821
VinaCapital Investment Management Ltd	Under common management	Advance payments	**135**	910
Hung Vuong Corporation	Associate	Loan and interest receivable	**552**	404
SIH Investment Ltd	Under common management	Loan receivable	**1,047**	707
Lam Co Company Ltd	Under common management	Loan receivable	**700**	700
VinaCapital Danang Golf Course Ltd (Vietnam)	Under common management	Loan and interest receivable	**1,000**	1,094
Roxy Vietnam Ltd (Vietnam)	Under common management	Loan interest receivable	**400**	17
East Ocean Real Estate & Tourist JSC (Vietnam)	Under common management	Loan interest receivable	**1,482**	69
Vinh Thai Urban Development Corporation (Vietnam)	Under common management	Loan receivable	**426**	525
Thang Loi Textile & Garment JSC	Associate	Loan receivable	**3,578**	3,353
Phong Phu Investment Development JSC	Associate	Loan and interest receivables	**974**	1,351
			12,947	11,564

Related party	Relationship	Transactions	Payables 30 June 2011 USD'000	30 June 2010 USD'000
VinaLand Limited subsidiaries	Under common management	Advances for real estate projects	**1,689**	3,460
VinaCapital Investment Management Ltd	Under common management and	Management fees	**5,745**	2,242
	Investment Manager	Cash advance	**192**	-
Dien Phuoc Long Real Estate Limited	Under common management	Corporate advisory fees	**983**	-
			8,609	5,702

27 Commitments

The Group has a broad range of commitments under investment licences it has received for the real estate projects jointly invested with VinaLand Limited and other agreements it has entered into, to acquire and develop, or make additional investments in investment properties and leasehold land in Vietnam. Further investments in any of these arrangements are at the Group's discretion.

28 Risk management objectives and policies

The Group invests in listed and unlisted equity instruments, debt instruments, assets and other opportunities in Vietnam and overseas with the objective of achieving medium to long-term capital appreciation and providing investment income.

The Group is exposed to a variety of financial risks: market risk (including currency risk, interest rate risk, and price risk); credit risk; and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group's risk management is coordinated by the Investment Manager who manages the distribution of the assets to achieve the investment objectives.

The most significant financial risks the Group is exposed to are described below:

Foreign currency risk sensitivity

The Group's exposure to risk resulting from changes in foreign currency exchange rates is moderate as although transactions in Vietnam are settled in Vietnam Dong (VND), the value of the Vietnam Dong has historically been closely linked to that of USD, the reporting currency.

The Group's financial assets and liabilities, exposure to risk of fluctuations in foreign currency exchange rates at the reporting date were as follow:

	Short-term exposure		Long-term exposure	
	VND	Others	VND	Others
	USD'000	USD'000	USD'000	USD'000
30 June 2011				
Financial assets	377,294	91,144	13,223	55,536
Financial liabilities	(3,987)	(8,609)	-	-
Net exposure	**373,307**	**82,535**	**13,223**	**55,536**
30 June 2010				
Financial assets	449,616	73,980	6,257	53,122
Financial liabilities	(3,232)	(6,559)	-	-
Net exposure	446,384	67,421	6,257	53,122

Sensitivity analysis to a reasonably possible change in exchange rates

Property valuations in Vietnam are based on a combination of factors linked to both the USD and VND. Assuming all properties are valued based on VND cash flows, a 5% weakening of the VND against the USD at the end of the year ended 30 June 2011 and 30 June 2010 would have had an impact on the Group's Consolidated Statement of Comprehensive Income by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Year ended	Year ended
	30 June 2011	30 June 2010 (*)
	USD'000	USD'000
5% devaluation of the Vietnam Dong		
Statement of Income	**18,665**	22,319

(*)Prior year number has been restated.

A 5% strengthening of the VND against USD would have had the equal but opposite effect to the amount shown above, on the basis that all other variables remain constant.

28 Risk management objectives and policies (continued)

Price risk sensitivity

Price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer, or factors affecting all instruments traded in the market. As the majority of the Group's financial instruments are carried at fair value with fair value changes recognised in the Consolidated Statement of Income, all changes in market conditions will directly affect net investment income.

The Group's unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Investment Manager provides the Group with investment recommendations that are consistent with the Group's objectives. The Investment Manager's recommendations are approved by an Investment Committee and/or the Board of Directors of the Group before investment decisions are implemented.

All securities investments present a risk of loss of capital. The Investment Manager manages this risk through the careful selection of securities and other financial instruments within specified limits and by holding a diversified portfolio of listed and unlisted instruments. In addition, the performance of investments held by the Group is monitored by the Investment Manager on a monthly basis and reviewed by the Board of Directors on a quarterly basis.

The Group invests in listed and unlisted equity securities and is exposed to market price risk of these securities. If the prices of the securities were to fluctuate by 10%, the impact on the Consolidated Statement of Income and the Consolidated Statement of Changes in Equity would amount to a gain of approximately USD37.2 million (30 June 2010: gain approximately of USD45.5 million).

Cash flow and fair value interest rate risk sensitivity

The Group's exposure to interest rate risk is related to interest bearing financial assets and financial liabilities. Cash and cash equivalents, bank deposits and bonds are subject to interest at fixed rates. They are exposed to fair value changes due to interest rate changes. The Group currently has no financial liabilities with floating interest rates. As a result, the Group has limited exposure to cash flow and interest rate risk.

Credit risk analysis

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. Impairment provisions are provided for losses that have been incurred by the Group at the reporting date. The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	30 June 2011	30 June 2010
	USD'000	USD'000
Classes of financial assets– carrying amounts:		
Short-term investments	**27**	428
Long-term loan receivables	**51,836**	47,718
Prepayment for acquisitions of investments	**8,986**	10,491
Other long-term financial assets	**-**	1,170
Trade and other receivables	**21,661**	17,609
	82,510	77,416

All transactions in listed securities are settled upon delivery using approved brokers. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment. Payment is made for purchases once the securities have been received by the broker. The trade will be unwound if either party fails to meet its obligations.

The carrying amount of trade and other receivables and loans represent the Group's maximum exposure to credit risk in relation to its financial assets.

28 Risk management objectives and policies (continued)

The Group has no other significant concentrations of credit risk.

In accordance with the Group's policy, the Investment Manager continuously monitors the Group's credit position on a monthly basis, identified either individually or by group, and incorporates this information into its credit controls.

The Group's Investment Manager reconsiders the valuations of financial assets that are impaired or overdue at each reporting date based on the payment status of the counterparties, recoverability of receivables, and prevailing market conditions.

Liquidity risk analysis

The Group invests in both listed securities that are traded in active markets and unlisted securities that are not actively traded.

The Group's listed securities are considered to be readily realisable, as they are mainly listed on the Vietnam Stock Exchange.

Unlisted securities, which are not traded in an organised public market, may be illiquid. As a result, the Group may not be able to quickly liquidate its investments in these instruments at an amount close to fair value in order to respond to its liquidity requirements or to other specific events such as deterioration in the creditworthiness of a particular issuer. However, the Group has the ability to borrow in the short-term to ensure sufficient cash is available for any settlements due.

At the reporting date, the Group's liabilities have contractual maturities which are summarised below:

	Current		Non-current	
	Within 6 months	6 to 12 months	From 1 to 5 years	Over 5 years
	USD'000	USD'000	USD'000	USD'000
30 June 2011				
Trade and other payables	3,932	-	55	-
Payable to related parties	8,609	-	-	-
	12,541	**-**	**55**	**-**
30 June 2010				
Trade and other payables	4,089	-	-	-
Payable to related parties	-	5,702	-	-
	4,089	5,702	-	-

The above contractual maturities reflect the gross cash flows, which may differ to the carrying value of the liabilities at the reporting date.

Capital management

The Group's capital management objectives are:

- To ensure the Group's ability to continue as a going concern;
- To provide investors with an attractive level of investment income; and
- To achieve capital growth.

The Group considers the capital to be managed as equal to the net assets attributable to the holders of ordinary shares. The Group is not subject to externally imposed capital requirement. The Group has engaged the Investment Manager to allocate the net assets in such a way so as to generate investment returns that are commensurate with the investment objectives outlined in the Group's offering documents.

28 Risk management objectives and policies (continued)

Capital for the reporting periods under audit is summarised as follow:

	30 June 2011	30 June 2010
	USD'000	USD'000
Net assets attributable to the holders of ordinary shares	**751,906**	782,501

29 Fair value hierarchy

The Group adopted the amendments to IFRS 7 Improving Disclosures about Financial Instruments effective from 1 January 2011 Financial Instrument: Disclosure. These amendments clarify the disclosure requirement of the standards to remove inconsistencies, duplicative disclosure requirements and specific disclosures that may be misleading. The Group has made sufficient disclosure in compliance with IFRS 7 in the consolidated financial statements.

The following table presents financial assets and liabilities measured at fair value in the Consolidated Statement of Financial Position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follow:

		As at 30 June 2011		
	Level 1	**Level 2**	**Level 3**	**Total**
	USD'000	**USD'000**	**USD'000**	**USD'000**
Assets				
Financial assets at fair value through profit or loss				
Financial assets in Vietnam				
- Ordinary share – listed	241,521	-	-	241,521
- Ordinary share – unlisted	-	74,494	18,934	93,428
- Corporate bonds	-	11,381	-	11,381
Financial assets in countries other than Vietnam	37,452	-	-	37,452
	278,973	**85,875**	**18,934**	**383,782**
Liabilities	**-**	**-**	**-**	**-**
Net fair value	**278,973**	**85,875**	**18,934**	**383,782**

There have been no significant transfers between Level 1 and 2 during the year.

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period as disclosed in Note 3.

29 Fair value hierarchy (continued)

In comparison with the last year-end:

	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000	Total USD'000
Assets				
Financial assets at fair value through profit or loss				
Financial assets in Vietnam				
- Ordinary shares - listed	298,675	-	-	298,675
- Ordinary shares - unlisted	1,559	98,824	15,039	115,422
- Corporate bonds	-	5,876	-	5,876
Financial assets in countries other than Vietnam	35,553	-	-	35,553
	335,787	104,700	15,039	455,526
Liabilities	-	-	-	-
Net fair value	335,787	104,700	15,039	455,526

The fair values of the Group's investments in available for sale financial assets cannot be reliably measured and are therefore excluded from this disclosure. Due to numerous uncertainties regarding the future development of these investees, the fair value of the Group's equity interest in these investments cannot be reliably measured and therefore have been stated at cost less impairment charges.

The reconciliation of the carrying amounts of financial instruments classified within Level 3 is as follow:

	Financial assets at fair value through profit or loss	
	Year ended 30 June 2011 USD'000	Year ended 30 June 2010 USD'000
Opening balance	**15,039**	**-**
Gain or losses recognised in		
- Statement of Income	**1,983**	(192)
- Other comprehensive income	**1,912**	-
Purchases during the year	**-**	15,231
Closing balance	**18,934**	15,039

Changing inputs to the level 3 valuations to reasonably possible alternative assumptions would not change significantly amounts recognised in profit or loss, total assets or total liabilities or total equity.

30 Comparative figures

Certain figures for the year ended 30 June 2010, which are included in this year's consolidated financial statements for comparative purposes, have been reclassified to conform to current year's presentation. The reclassification does not have any impact on net assets or net results.