

Regulatory Announcement

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Company	Vietnam Opportunity Fund Limited
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Vietnam Opportunity Fund Limited Interim Results

Vietnam Opportunity Fund Limited (the “Company” or “VOF”), the AIM-quoted investment vehicle established to target key growth sectors that support Vietnam’s growing economy such as financial services, property development, consumer goods for domestic consumption, and healthcare services, today announces its interim results for the six months ended 31 December 2007 (“the Period”).

Financial highlights

- Profit before tax for the Period USD 37.4 million
- VOF’s cash position at the end of December is approximately 16% of total NAV
- Basic earnings per share USD 0.15 for the Period
- Cash and cash equivalents as at 31 December 2007 of USD 70.1 million
- Net asset value at 31 December USD 1.13bn representing USD 3.49 per share
- Successful completion of the Company’s seventh round of fundraising in November 2007 raising US \$272,179,589, upon the issue of 73,961,845 new ordinary shares at US\$3.68 per share

Operational highlights

- Key investments during the period:
 - **Phu Nhuan Jewelry (PNJ).** PNJ has grown to be one of the two strongest brands in the Vietnamese jewelry market, with about 18% to 24% market share. PNJ has defined its products into a broad range to serve customers within a wide income range and gain elasticity of demand.
 - **Masan Culinary Goods Company.** Masan has consistently achieved a double-digit growth rate since it was established in 2003. Masan strives to be the number one player in the Vietnamese culinary segment, with over 30% market share.
 - **Saigon Pearl SSG.** SSG is a real estate company that owns many strategic locations in central Ho Chi Minh City, for example the 103,000 sq.m Saigon Pearl project next to the Saigon River; which is the most luxurious residential project in the city and is projected to generate significant profit in the coming years.
 - **DIC Corporation.** DIC specialises in investing into and developing real estate and technical infrastructure for urban areas, industrial zones, hi-tech zones and new economic zones.
 - **Intresco.** Established in 2000 and privatised in 2001, Intresco is a real estate company

specialising in residential and office building development. Intresco acquired land in good locations (inner Ho Chi Minh City) at inexpensive prices many years ago – an advantage many real estate companies don't have.

- **Khang Dien Housing.** Khang Dien Housing went public in 2007, five years after being established. The company has been able to acquire sites at strategic locations along the future Saigon-Dau Giay National Highway and two Ring Roads.
 - **IndoChina Food Industries (NIVL Sugar Co).** IndoChina Food Industries is the special purpose vehicle that holds NIVL Sugar Joint Stock Company, formerly known as Nagarjuna Sugar Company. Founded in 1995, NIVL is one of the longest running and most successful foreign-managed sugar companies in Vietnam.
 - **BCCI.** Established in 1999 as a state-owned real estate trading and development company. Privatised in 2000, the company has won awards for the construction of the Le Minh Xuan and Phong Phu industrial parks.
- Successful listing of four deals which resulted in improved valuations: Hoa Phat Group, Phu My Fertiliser, Tay Ninh Rubber, and Dong Phu Rubber.

Commenting, Andy Ho, Managing Director & Head of Investment:

“We are pleased to report another set of strong results. VOF has been very active throughout the six months ending 31 December 2007. We successfully closed our seventh fundraising round with USD 272 million in November 2007 and I am pleased to report that the deployment of these funds is rapidly progressing as planned. The returns displayed by the majority of the Company's investments provide solid grounds to believe that VOF will continue to provide shareholder value. Furthermore, the overall environment for private equity in Vietnam remains good and I look forward to reporting to you on developments as they occur.”

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Notes to Editors:

Vietnam Opportunity Fund Limited (AIM: VOF) (the “Company”), is a closed-end fund traded on the AIM Market of the London Stock Exchange plc. Launched in September 2003, the Company focuses on the key growth sectors of the domestic economy including financial services, retail, consumer goods, tourism, property, infrastructure, and technology. It makes equity and debt investments in listed, OTC-traded, and private companies, and participates in the privatization of state-owned companies.

More information about the Company can be found at the Company's website at www.vietnam-opportunity-fund.com

Chairman's Statement

We are pleased to present the half-year financial statements of Vietnam Opportunity Fund ('the Company', AIM: VOF) for the six months ended 31 December 2007.

Vietnam's economy has grown rapidly since admission to the World Trade Organisation and in 2007 foreign direct investment (FDI) reached a record USD 20 billion, to go along with GDP growth of 8.5 percent. However, a decade of continued GDP growth of over 7 percent annually has created stresses and strains on the economy that have emerged in the latter part of the year.

Inflation, by the end of 2007, had become the government's main economic policy concern. The CPI increased 12.6 percent for the year, sparking concern that inflation was a threat to continued growth. The capital markets began a noted decline in the second half of 2007 after the VN Index peaked in March. The Index fell 9.6 percent from July 1 to the end of December (although still recording a very respectable 23.3 percent rise for the full year). Inflation was not the only problem – the overpriced equitisation of several major State-owned enterprises resulted in market sentiment turning sour.

Despite the difficult second half, the period saw stellar results for the Vietnam Opportunity Fund, particularly compared to the broader market. The net asset value increased from USD 3.22 per share at end June to USD 3.49 per share at the end of December (a rise of 8.4 percent, resulting in a 37.4 percent gain for the 2007 calendar year).

There were many factors behind this success, including several profitable private equity deals. VOF continues to benefit from its diversified, total market approach, ending 2007 with 66.7 percent of assets in the capital markets (listed and OTC), 12.4 percent in real estate, 4.8 percent in private equity and 16.1 percent in cash (much of that held for future private equity deals).

As 2008 starts, the market is nervous about external factors including the subprime lending crisis in the US and domestic factors like inflation and an emerging credit crunch. We expect the next six months will be a difficult period for the market, but we remain confident in the mid to long-term prospects of VOF and the many excellent companies in which we are invested.

Thank you for your continued support.

William Vanderfelt
Chairman
Vietnam Opportunity Fund
28 March 2008

Condensed interim balance sheet

	31 December 2007	30 June 2007
	USD'000	USD'000
ASSETS		
Non-current		

Investment property	-	15,756
Property, plant and equipment	2,903	3,027
Investment properties under development	23,416	3,335
Investments in associates	88,871	69,177
Other long-term investments	13,354	1,954
Loan receivables	41,477	41,460
Prepayment for operating lease	1,949	1,971
Other non-current assets	122	129
Goodwill	1,753	1,753
	173,845	138,562

Current

Inventories		4,947	4,755
Receivables from related parties		19,318	1,020
Trade and other receivables		23,373	26,114
Financial assets at fair value through profit or loss		799,421	624,575
Held to maturity investments		20,847	47,941
Deposits for acquisitions of investments	6	85,044	10,442
Cash and cash equivalents		70,107	71,377
		1,023,057	786,224
Total assets		1,196,902	924,786

	Notes	31 December 2007 USD'000	30 June 2007 USD'000
EQUITY			
Equity attributable to shareholders			
Share capital	7	3,246	2,506
Additional paid-in capital	8	722,425	459,151
Revaluation reserve		27,104	17,717
Translation reserve		(3,011)	(664)
Retained earnings		382,841	342,954
		1,132,605	821,664
Minority interests		25,566	22,138
Total equity		1,158,171	843,802

LIABILITIES**Current liabilities**

Payables to related parties		18,062	4,790
Trade and other payables		14,920	75,016

Short-term borrowing	5,425	-
Other liabilities	324	1,178
Total liabilities	38,731	80,984
Total equity and liabilities	1,196,902	924,786
Net assets per share (\$ per share)	3.49	3.28

Condensed interim statement of changes in equity

	Equity attributable to equity holders of the Group				Minority interests	Total equity	
	Share capital	Additional paid-in capital	Translation reserve	Revaluation reserve			
	USD'000	USD'000	USD'000	USD'000			
1 July 2006	1,226	164,950	-	-	78,787	14,084	259,047
Profit for the period ended							
31 December 2006	-	-	-	-	105,524	-	105,524
Other adjustments	-	-	-	-	(10,441)	(14,084)	(24,525)
Total gain/(loss) for the period	-	-	-	-	95,083	(14,084)	80,999
Issue of new shares	1,280	303,340	-	-	-	-	304,620
Placement fee	-	(9,139)	-	-	-	-	(9,139)
31 December 2006	2,506	459,151	-	-	173,870	-	635,527
1 July 2007	2,506	459,151	(664)	17,717	342,954	22,138	843,802
Currency translation	-	-	(2,347)	-	-	-	(2,347)
Profit for the period ended							
31 December 2007	-	-	-	-	39,887	(2,462)	37,425
Total gain/(loss) for the period	-	-	(2,347)	-	39,887	(2,462)	35,078
Issue of new shares	740	271,439	-	-	-	-	272,179
Placement fee	-	(8,165)	-	-	-	-	(8,165)
Acquisition of subsidiaries	-	-	-	-	-	5,890	5,890
Revaluation reserves	-	-	-	9,387	-	-	9,387
31 December 2007	3,246	722,425	(3,011)	27,104	382,841	25,566	1,158,171

Condensed interim statement of income

Note

Half-year ended

31 December 2007

31 December 2006

		USD'000	USD'000
Revenue		6,592	-
Cost of sales		(5,197)	-
Gross profit		1,395	-
Other income		382	118
Administration expenses	9	(13,155)	(6,140)
Other operating expenses		(302)	(519)
Other net changes in fair value of financial assets at fair value through profit or loss	10	41,893	108,048
Profit from operations		30,213	101,507
Financial income		5,666	4,937
Finance costs		(4,572)	(920)
Share of profit of associates, net		6,118	-
		7,212	4,017
Profit before tax		37,425	105,524
Income tax	11	-	-
Net profit		37,425	105,524
Attributable to shareholders		39,887	105,524
Attributable to minority interests		(2,462)	-
Earnings per share – basic and diluted (\$ per share)	12	0.15	0.67

Condensed interim statement of cash flow

	Half-year ended	
	31 December 2007	31 December 2006
	USD'000	USD'000
Operating activities		
Net profit before tax	37,425	105,524
Adjustment for:		
Depreciation and amortisation	350	-
(Gain) on revaluation of financial assets	(44,254)	(100,630)
Loss/(gain) on disposal of financial assets	3,672	(8,339)
Share of associates' profits	(6,118)	-
Unrealised foreign exchange (gain)	(4,894)	(920)
Interest and dividend income	(5,116)	(4,016)

Net loss before changes in working capital	(18,935)	(8,381)
Change in trade and other receivables	(90,249)	(42,298)
Change in inventories	(193)	-
Change in trade and other payables	(41,788)	(11,621)
	(151,165)	(62,300)
Investing activities		
Interest received	2,461	3,037
Dividends received	2,655	929
Purchases of property, plant and equipment and other non-current assets	(4,429)	-
Acquisition of a subsidiary, net of cash	(4,190)	2,128
Purchases of financial assets	(213,826)	(95,214)
Proceeds from disposals of financial assets	100,150	46,994
Loan provided	(18)	(5,033)
	(117,197)	(47,159)
Financing activities		
Capital contributions	264,014	295,480
Loan proceeds	5,426	-
	269,440	295,480
Net increase in cash and cash equivalents for the period	1,078	186,021
Cash and cash equivalents at the beginning of the period	71,377	24,251
Effects of fluctuations in foreign exchange rates	(2,348)	-
Cash and cash equivalents at end of the period	70,107	210,272

Notes to the condensed interim Financial Statement

1 General information

Vietnam Opportunity Fund Limited is a limited liability company incorporated in the Cayman Islands. The registered office of the Company is PO Box 309GT, Uglund 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 Cambodia, Laos and Southern China. The Company is listed on the AIM Market of the London Stock Exchange under the ticker symbol VOF.

The condensed interim financial statements for the half-year ended 31 December 2007 were approved for issue by the Board of Directors on 28 March 2008.

2 Basis of preparation of condensed interim financial statements

The condensed interim financial statements for the half-year ended 31 December 2007 are condensed interim financial statements that have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting'.

The condensed interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual financial statements for the year ended 30 June 2007.

The revenue, cost of sales and a large proportion of expenses in the condensed interim statement of income result from the consolidation of the Group' operating subsidiaries.

The condensed interim financial statements are presented in United States Dollars.

3 Accounting policies

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim report, as described in the annual audited financial statements for the year ended 30 June 2007.

4 Segment reporting

Segment information is presented in respect to the Group's investment and geographical segments. The primary reporting format, investment segments, is based on the investment manager's management and monitoring of investments. Investments are allocated into four main segments: capital markets, private equity, real estate (including real estate related loans) and cash (including term deposits and bonds). The Group's secondary reporting format, geographical segments, includes Vietnam and the regions outside Vietnam.

	Half-year ended 31 December 2007			Half-year ended 31 December 2006		
	Vietnam	Outside Vietnam	Total	Vietnam	Outside Vietnam	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Income						
Capital markets	51,446	(6,899)	44,547	108,048	-	108,048
Private equity	8,381	-	8,381	118	-	118
Real estate	4,712	-	4,712	-	-	-
Cash	2,586	425	3,011	3,774	1,163	4,937
	67,125	(6,474)	60,651	111,940	1,163	113,103

	31 December 2007			30 June 2007		
	Vietnam	Outside Vietnam	Total	Vietnam	Outside Vietnam	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Total assets						
Capital markets	781,013	20,264	801,277	582,940	31,444	614,384
Private equity	37,524	-	37,524	26,015	-	26,015
Real estate	182,103	-	182,103	161,212	-	161,212
Cash	140,632	35,366	175,998	121,627	1,548	123,175
	1,141,272	55,630	1,196,902	891,794	32,992	924,786

To determine the geographical segments for financial instruments the following rules have been applied:

- Listed shares - place of primary listing;
- Unlisted shares - place of incorporation of the issuer;
- Private equity - place of incorporation of the issuer;
- Real estate - location of property; and
- Cash - place of deposit.

5 Subsidiaries and associates

Particulars of the Group's principal subsidiaries and associates are set out in notes 7 and 11 of the annual financial statements for the year ended 30 June 2007.

The following subsidiaries and associates were newly set up or acquired during the period:

PA Investment Opportunity II Limited

During the period, the Group subscribed to 15,350 shares (or a 66.44% interest) in PA Investment Opportunity II Limited which is incorporated in the British Virgin Islands. The principal activity of this Company is to invest in listed and unlisted securities in Vietnam. The total cost of the subscription was USD15,350,000, which was settled in cash.

Acquisition of Long Dien Project

On 25 October 2007, the Group acquired a 99% interest in Quoc Te Consultant Company Limited which has a 16% interest in the Long Dien Project. The principal activity of this project is to construct and develop an apartment building in District 9, Ho Chi Minh City. The total cost of the acquisition was USD2,336,711, which was settled in cash.

The fair value amounts recognised for each class of the acquiree's assets, liabilities and contingent liabilities at the acquisition date were as follows:

Current assets	USD'000	Current liabilities	USD'000
Cash and cash equivalents	1,219	Trade and other payables	-
	1,219		-

Non-current assets

Investment in associate	499		
Investment properties	642	Minority interest	24
	2,360		24

Acquisition of Phuoc Dien Project

On 25 October 2007, the Group acquired a 99% interest in Dien Phuoc Long Real Estate Company Limited which has a 16% interest in the Phuoc Dien Project. The principal activity of this project is to construct and develop an apartment building and villas in District 9, Ho Chi Minh City. The total cost of the acquisition was USD3,070,903, which was settled in cash.

The fair value amounts recognised for each class of the acquiree's assets, liabilities and contingent liabilities at the acquisition date were as follows:

Current assets	USD'000	Current liabilities	USD'000
Cash and cash equivalents	2,653	Trade and other payables	-
	2,653		-

Non-current assets

Investment in associate	449	Minority interest	31
	3,102		31

6 Deposits for acquisitions of investments

	31 December 2007	30 June 2007
	USD	USD
Deposits for bid participation (*)	84,705	3,208
Deposits for investment projects	339	7,234
	85,044	10,442

(*) As at 31 December 2007, the Group has deposited USD84.5 million to participate in the bidding for unlisted securities in a bank in Vietnam.

7 Share capital

	31 December 2007		30 June 2007	
	Number of shares	USD'000	Number of shares	USD'000
Authorised:				
Ordinary shares of USD0.01 each	500,000,000	5,000	500,000,000	5,000
Issued and fully paid:				
At 1 July 2007/ 1 July 2006	250,648,414	2,506	122,657,202	1,226
New shares issued in the period	73,961,845	740	127,991,212	1,280
At 31 December 2007/ 30 June 2007	324,610,259	3,246	250,648,414	2,506

8 Additional paid-in capital

Additional paid-in capital represents the excess of consideration received over the par value of shares issued.

	31 December 2007	30 June 2007
	USD'000	USD'000
At 1 July	459,151	164,950
Additional paid-in capital during the period	271,439	303,340
Placement fee	(8,165)	(9,139)
At 31 December 2007/ 30 June 2007	722,425	459,151

9 Administration expenses

	31 December 2007	31 December 2006
	USD'000	USD'000
Performance fees	-	2,302
Management fees	9,469	3,645
General administration expenses	3,589	130
Other expenses	97	63

13,155	6,140
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10 Other net changes in fair value of financial assets at fair value through profit or loss

	31 December 2007	31 December 2006
	USD'000	USD'000
Unrealised	37,621	99,710
Realised	4,272	8,338
	41,893	108,048

11 Corporate income tax

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

The majority of the Group's associates 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. A small number of subsidiaries are established in Vietnam and are subject to corporate income tax in Vietnam, however no provision for corporate income tax has been made for these Vietnamese subsidiaries of the Group for the half-year ended 31 December 2007 as they either incurred losses, have unutilised tax holidays, or have sufficient carry-forward tax losses to offset any taxable income.

12 Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Group by the weighted average number of ordinary shares on issue during the period.

	31 December 2007	31 December 2006
Profit attributable to equity holders of the Company (USD'000)	39,887	105,524
Weighted average number of ordinary shares on issue	265,851,682	158,210,316
Basic earnings per share (\$ per share)	0.15	0.67

(b) Diluted

Diluted earnings per share 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 earnings per share is equal to basic earnings per share.

13 Commitments

As at 31 December 2007, the Group is committed under lease agreements and capital expenditure programs to pay the following future amounts:

	31 December 2007	30 June 2007
	USD'000	USD'000
Within one year	1,688	131
From two to five years	150	236
Over five years	1,362	1,287
	3,200	1,654

14 Contingent liabilities

Performance fee

In accordance with the Investment Management Agreement between the Company and the Investment Manager, the Investment Manager is entitled to receive a performance fee in the event that the year end Net Asset Value is equal to or greater than the higher of (i) the Net Asset Value on the date the Company was admitted (“Admission date”) to trading on AIM increased by a compounded annual hurdle rate of 8 per cent (the “Hurdle”) or (ii) the year end Net Asset Value for the last year in relation to which a performance fee became payable (“the High Water Mark”). In the event that this condition is satisfied the Investment Manager shall be entitled to a performance fee equivalent to 20 per cent of the increased Net Asset Value to be paid as follows:

- 0 per cent of the increased Net Asset Value at or below the Hurdle;
- 100 per cent of the increased Net Asset Value above the Hurdle but below a compounded annual rate of 10 per cent (the “Catch-up”); and
- 20 per cent of all increased Net Asset Value above the Catch-up.

As at 31 December 2007 the Net Asset Value as at 30 June 2008 is uncertain. In accordance with the above Investment Management Agreement, the performance fee should be calculated and accrued on an annual basis. Therefore, the performance fee has not been calculated and recorded in the interim financial information.

Taxation

Although the Company and a majority of its subsidiaries are incorporated in the Cayman Islands and the British Virgin Islands where they are exempt from tax, the Group’s activities are primarily focused on Vietnam. In accordance with the prevailing tax regulations in Vietnam, if an entity was treated as having a permanent establishment, or as otherwise being engaged in a trade or business in Vietnam, income attributable to or effectively connected with such permanent establishment or trade or business may be subject to tax in Vietnam. As at the date of this report the following information is uncertain:

- Whether the Company and/or its subsidiaries are considered as having permanent establishments in Vietnam; and
- The amount of tax that may be payable, if the income is subject to tax.

The implementation and enforcement of tax regulations in Vietnam can vary depending on numerous factors, including the identity of the tax authority involved. The administration of laws and regulations by government agencies may be subject to considerable discretion, and in many areas, the legal framework is vague, contradictory and subject to interpretation. The Directors believe that it is unlikely that the Group will be exposed to tax liabilities in Vietnam, and in the worse case, if tax is imposed on income arising in Vietnam it will not be applied retrospectively.

As at 31 December 2007, due to the uncertainties mentioned above, no liability in relation to taxation has been recognised in the interim financial information.

15 Subsequent events

As of the date of issuance of the interim financial information, the aggregate fair value of the Group’s financial assets at fair value through profit and loss has fallen by USD277 million to USD522 million from the aggregate fair value as of 31 December 2007 due to a general decline in listed share prices in Vietnam. The management

believes that the fall is temporary and consequently no adjustment has been made in the interim financial information as at 31 December 2007 and for the period from 1 July 2007 to 31 December 2007. The details are as follows:

	Fair value		Movement USD'000
	31 December 2007 USD'000	28 March 2008 USD'000	
Financial assets at fair value through profit or loss:			
Ordinary shares – listed	454,928	271,769	(183,159)
Ordinary shares – unlisted	329,130	234,910	(94,220)
Others	15,363	15,363	-
	799,421	522,042	(277,379)

16 Comparative figures

The comparative figures for the condensed interim statements of income, cash flow, statement of changes in equity and related notes for the period from 1 July 2006 to 31 December 2006 were not audited or reviewed by an independent auditor as the interim financial statements were not required to be audited or reviewed.

Copies of the interim report will be available, free of charge from the offices of Grant Thornton Corporate Finance, 30 Finsbury Square, London EC2P 2YU or, the offices of VinaCapital Investment Management Ltd, 17/F, Sun Wah Tower, Ho Chi Minh City, Vietnam and can also be downloaded from the Company's website at www.vietnam-opportunity-fund.com.

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