26 November 2014

PXP Vietnam Fund Limited

Final results for the year ended 30 September 2014

OBJECTIVE AND HIGHLIGHTS

Objective

The investment objective of PXP Vietnam Fund Limited ("the Company") is to seek long-term capital appreciation of its assets by investing in a portfolio of equity securities of Vietnamese companies, whether established with domestic or foreign ownership, which are either listed companies or prelisting companies.

Financial summary

Financial position at 30 September	**2014**	**2013**	**% change**
Total Net Assets	US$88,334,000	US$70,158,000	25.9%
Ordinary Shares of US$0.05 in issue	12,000,000	12,000,000	
Net Asset Value ("NAV") per share	US$7.361	US$5.847	25.9%
Share price	US$6.88	US$4.82	42.7%
Discount	6.5%	17.6%	

Results for the year to 30 September	**2014**	**2013**
Net profit	US$18,539,000	US$21,662,000
Earnings per share	US$1.54	US$1.81
Expense ratio	2.92%	2.55%

Relative performance

Cumulative performance for years to 30 September 2014

	NAV per share	**Viet Nam Index (US$)**
	%	**%**
1 year	25.9	21.0
2 years	79.7	50.0
3 years	111.1	37.5
4 years	72.0	21.0
5 years	22.1	-13.3
6 years	73.7	2.6
7 years	-31.8	-56.6
8 years	46.2	-13.9
9 years	177.9	55.1
10 years	207.2	90.8

Year's high and low	**Year to 30 September 2014**	
	High	**Low**
NAV per share	US$7.538	US$5.813
Share price	US$7.00	US$4.80

Vietnam market data

Vietnam market data at 30 September	**2014**	**2013**	**% change**
Vietnamese dong ("VND")/US dollar ("US$") exchange rate	21,209	21,119	0.4%
Viet Nam Index	598.80	492.63	21.6%
Viet Nam Index adjusted US$ rate	397.86	328.72	21.0%

CHAIRMAN'S STATEMENT

Performance and outlook

Over the 12 months to 30 September 2014, the Net Asset Value per share of PXP Vietnam Fund Limited increased by 25.9%. This compares to a gain in the Viet Nam Index ("VNI") in US dollar terms of 21.0% over the same period. The portfolio of the Company was invested predominantly in Vietnamese listed equities throughout the year and delivered strong performance over a range of industries.

Vietnam macroeconomic conditions remained stable throughout this financial year. Price inflation which had reduced from over 20% in 2011 to 6.3% year-on-year in September 2013, fell further to 3.6% year-on-year in September 2014. The annual trade surpluses achieved in both years 2012 and 2013 have been followed by a trade surplus of US$2.4 billion for the first nine months of 2014. The Vietnamese dong (the "Dong") continued to be relatively stable, with a fall of only 0.4% against the US dollar over the financial year. Vietnam GDP growth of 5.6% for the first nine months of 2014 was the highest level for the corresponding period since 2011, and GDP can be expected to advance for the remainder of the year, with the subdued credit growth in the economy earlier in the year picking up to a more respectable 7.3% for the first nine months of 2014, and with expanding industrial output being driven by foreign direct investment.

After a steady first quarter to the Company's financial year, the Vietnam stock markets rallied strongly from January 2014, with the VNI gaining 20% from a close of 504.63 points on 31 December 2013 to reach a high of 607.55 points on 24 March 2014. The upturn in confidence and involvement from domestic investors over this period was augmented by renewed foreign inflows. In April 2014, the progress of the market was dampened by a tightening of margin lending to domestic retail investors. Then in early May 2014, the siting by a Chinese company of an exploration rig near the disputed Paracel Islands, off the east coast of Vietnam, caused a drop of 8.2% in the VNI over three trading days. After a few days of increased volatility, the market calmed and began a strong climb which endured for four months, with the VNI increasing by 26.7% from a traded low of 508.51 points on 13 May 2014 to a traded high of 644.56 points on 3 September 2014. Profit-taking pressure in the remainder of the month brought the VNI down to a financial year close of 598.80 points.

The market traded in a narrow band through October and November 2014, and the VNI closed at 588.03 points on 21 November 2014. Although the outlook for the Vietnam stock markets remains positive due to stable economic conditions and the fundamental attractiveness of Vietnamese listed stocks, the upside potential is likely to be hindered if the Government does not push through meaningful reforms of the market, including increased access for foreign investors.

C Share Offer

Following the recommendation of the Board of Directors, at the annual general meeting of the Company held on 30 May 2014 (the "2014 AGM") the shareholders passed a resolution to renew the authority given to the Board at the 2012 annual general meeting (the "2012 AGM") and renewed at the 2013 annual general meeting, to issue up to 20 million C Shares on the same terms and conditions as approved at the 2012 AGM for a further three months from the date of the 2014 AGM.

The C Share Offer was launched on 10 June 2014. Subsequently, due to the discount to net asset value of the Ordinary Shares widening during the offer period and general market conditions, the anticipated level of interest in the C Share Offer from existing holders of Ordinary Shares and potential new investors did not materialise, and the C Share Offer was cancelled on 27 June 2014.

Proposed merger

PXP Vietnam Asset Management Limited, the Investment Manager, has submitted a proposal to the Board that the Company merge with PXP Vietnam Emerging Equity Fund Limited, a Cayman Islands open-ended mutual fund which is also managed by the Investment Manager (the "Merger").

A shareholder circular concerning the proposed Merger (the "Circular") will shortly be despatched to shareholders. The Circular will include notice of an Extraordinary General Meeting ("EGM") to be held on 17 December 2014 at which shareholders will be invited to vote on the Merger proposal.

It is the opinion of the Board that the proposed Merger is in the best interests of shareholders as a whole, and the Board will recommend that shareholders vote in favour of the Merger at the EGM.

Share price

The Company's shares are listed on the London Stock Exchange plc's Main Market for listed securities as a premium listing of equity shares. The share price increased by 42.7% over the year to 30 September 2014, from US$4.82 to US$6.88. The announcement on 18 September 2014 of preliminary discussions which may lead to proposals for a merger between the Company and PXP Vietnam Emerging Equity Fund Limited resulted in a narrowing of the discount from 13% to end the financial year at 6.5%.

Dividend

The Directors have declared the payment of a dividend for the year ended 30 September 2014 of 7.5 cents per Ordinary Share, representing the excess of dividends received by the Company over its expenses for the year ended 30 September 2014. This dividend is to be paid on 30 December 2014 to shareholders on the register at 5 December 2014 (ex-dividend date 4 December 2014).

Corporate governance

The Company has established corporate governance processes which the Board believes are appropriate for an investment company with a premium listing on the London Stock Exchange.

Directorate

At the annual general meeting of the Company held on 30 May 2014, all five Directors were re-elected. The Directors collectively have substantial experience in asset management, investment and business in Asia.

Philip Smiley
Chairman
21 November 2014

For further information, please contact:

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INVESTMENT MANAGER'S REPORT

The Company is managed by PXP Vietnam Asset Management Limited, a British Virgin Islands company incorporated in October 2002. Kevin Snowball, the Chief Executive Officer of the Investment Manager has been Portfolio Manager since the Company's inception in 2003.

Mr Snowball worked in Hong Kong from 1985 to 1995 as a specialist manager and trader of proprietary funds in equity and equity derivatives markets in Hong Kong and South East Asia. During that period, among other activities he established the Hong Kong equity derivatives businesses of Baring Securities and Deutsche Morgan Grenfell. On returning to the United Kingdom in 1995, Mr Snowball expanded his coverage to encompass global emerging markets at Dresdner Kleinwort Benson, Bear Stearns International and ABN Amro before returning to Asia and co-founding PXP Vietnam Asset Management Limited in 2002.

Review of the year

During the year under review the Company's Net Asset Value ("NAV") per share increased by 25.9%, from US$5.847 to US$7.361. This compares with an increase in the Viet Nam Index ("VNI") of 21.0% in US dollar terms over the same period. The Vietnamese dong (the "Dong") depreciated by 0.4% over the Financial Year.

Stock market

The VNI began the Company's Financial Year in fairly muted fashion, although it transpired that the index would not trade below the 30 September 2013 close during the entirety of the period under review. The 500 point level of the VNI proved a fairly strong resistance level in the first six weeks of the period due to the tiresomely slavish adherence to technicals over fundamentals on the part of local soothsayers, but once surmounted in the latter part of October 2013 the rally was back on and now supported by the former sceptics, to the extent that the path to 600 and beyond was relatively smooth.

All great fun until the beginning of April 2014, when the gushing faucets of margin facilitation were tightened, leading to a slight hesitation in the euphoria of recognition that all those monetary policy improvements had laid the groundwork very nicely for a good, old-fashioned bull market. It had made a pleasant change for a while to have some company in the wilderness into which we had been shouting "it's time to buy Vietnam" for a couple of years.

Unfortunately, China then decided to use the East Sea (the one to its south) as the proving ground for a new era of regional hegemony and so a giant oil rig unexpectedly arrived in disputed waters on an otherwise fair morning early in May. The onshore ramifications of that act have been very well documented elsewhere, but in essence; cue local protests which quickly escalated into a couple of days' anti-Chinese rioting with Taiwanese and South Korean factories bearing the brunt of a heady mix of misdirected nationalistic fervour and protests about working conditions. The authorities, having failed to see that one coming, put a stop to it in short order but not before the index had completed a (healthy) mid-teen percentage pullback from the April high. Once order had been restored the market reacted by storming to multi-year highs between mid-May and the start of September 2014 before entering another mild and orderly period of consolidation which continues at the time of writing.

Economy

The Vietnamese Government has undoubtedly made significant progress through the resolute application of consistently strong monetary policy over the past three years or so. The Dong has been among the most stable currencies in Asia during that period, obviously assisted to an extent by the managed exchange rate against the US dollar, but the pressures previously caused by high inflation and large trade deficits have been negated for the time being at least, and both are expected to continue to improve, particularly over the longer term as trade surpluses become the norm.

The Consumer Price Index rose by 6.04% in 2013, a steady improvement after the 18.6% and 9.3% levels recorded by the General Statistics Office for 2011 and 2012 respectively. The rate of inflation has continued to decline into 2014 with the latest reading, for October 2014, now at 3.23% on an annualised basis, well below the Government's 2014 target of 7%.

The move up the value chain driven by higher value add manufacturing as the country diversifies production from garments to electronics made a significant contribution to Vietnam achieving a trade surplus in 2013 after the first for 20 years in 2012, with another well on track to be recorded in 2014. This potentially sustained move from deficit to surplus several years ahead of expectations remains at the core of our bullishness from a macroeconomic standpoint, assisting the Government to attain its objectives of keeping inflation under control and the currency stable for considerably longer than the previous three-year boom-bust cycles.

Gross Domestic Product ("GDP") growth picked up to 5.4% in 2013 after 5% in 2012 and we concur with the Government's forecast for an acceleration to 5.8% in 2014. Although this still compares somewhat poorly with the average of 7% achieved over the previous decade we see growth continuing to improve in 2015, returning close to the mean by the end of 2016.

The issue of non-performing loans in the banking system remains a concern but with lower interest rates and a stronger economy providing some breathing space whilst legislation is prepared to enable a more effective long-term resolution than is currently in place we remain hopeful that help is at hand.

Outlook and strategy

Domestic macroeconomic conditions remain supportive of the continuation of the current bull market into a fourth year, the VNI having bottomed with the end of the last mini-cycle at the beginning of 2012. How easily the macro translates into further gains will, in our opinion, be determined by the Government's willingness and ability to deliver ongoing improvements in the stock market.

The relaxation of foreign ownership limits has been pending for over a year now, possibly due to a combination of the need to unravel the issue of conflicting legislation with some resistance in the hard core, who perhaps both mistrust foreign investors in general and misunderstand the nature and long-term economic benefits of a fully functional stock market. Add to this a seemingly more inclusive decision-making process (equals less decisive) at the top of the pyramid and Vietnam runs the risk of continuing to retard progress beyond the attention span of foreign institutional investors and that would be a great pity.

There is no doubt that Vietnam is currently in a sweet spot as far as foreign direct and fixed income investors are concerned, with impressive flows continuing into electronics plants and supporting industries in particular as the Government, buoyed by recent success, considers further sovereign bond issues. The equitisation to listing process, however, which should be providing welcome new supply to the stock market, is unfortunately teetering on the edge of being a complete waste of time. The Vietnam Airlines IPO was lauded locally as being a success having been oversubscribed by a whisker due to two local banks having taken up over 98% of the shares. With no foreign institutional participation whatsoever and no firm listing date in the plan we would question that interpretation. If we understand economic theory at all, raising money from foreign investors by privatising state owned enterprises would have an impact on the overall size of the economy whereas selling overpriced state assets to local banks (one of which is 77% owned by the state) is more akin to taking money out of one pocket and putting it into another.

Our fear is complacency; that Vietnam is ostensibly now doing so well from a macroeconomic perspective that the two crucial reforms that will aid the development of the stock market – namely more supply and better access for foreign investors (who can already buy up to 100% of subsidiaries of listed companies but only 49% of the listed entity itself for some unfathomable reason) – have disappeared from the list of things that will provide benefits to the advance of the country as a whole. The danger is that over-confidence makes you think you can get the timing right within the cycle and you figure out that you got the length of the cycle wrong when it is too late to do anything about it. The Government may of course (we hope) prove once again that it knows what it is doing in spite of increasing scepticism (at least from equity market commentators) and make the necessary adjustments sooner rather than (too) late(r). Time will tell but for the time being at least there are definite early signs of disappointment at the slow progress of reform.

Otherwise, as usual, we will continue with our long-term strategy to build and maintain a high conviction portfolio providing Shareholders with access to the highest quality companies listed in Vietnam.

On behalf of the Investment Manager

Kevin Snowball
21 November 2014

SUMMARY OF TEN LARGEST INVESTMENTS

Ten largest investments as at 30 September 2014		Valuation US$'000	% of NAV %
VNM	**Viet Nam Dairy Products JSC (Vinamilk)** Vinamilk is the largest producer and distributor of dairy products in Vietnam and is continuing to expand its production capacity to capitalise on growing demand. VNM is currently the second largest listed company in Vietnam, is arguably the country's most respected company internationally and has been the cornerstone of the Company's portfolio since 2005.	18,070	20.5
HCM	**Ho Chi Minh City Securities Corporation** Ho Chi Minh City Securities Corporation is the second largest broker in terms of market share on the Ho Chi Minh City Stock Exchange with over 11% as at 30 September 2014. HCM offers securities brokerage, research and investment banking, and is recognised for its experienced, relatively conservative management team and good corporate governance standards.	8,599	9.7
HPG	**Hoa Phat Group JSC** Hoa Phat Group JSC is Vietnam's largest construction steel producer with 18% market share and is the leader in this sector in northern Vietnam. HPG has significant cost advantages over its domestic competitors due to its Basic Oxygen Furnace facility and its vertically integrated production process.	7,706	8.7
REE	**Refrigeration Electrical Engineering Corporation** REE Corporation was one of the first two listed stocks on the Ho Chi Minh City Stock Exchange. Its core businesses include mechanical and engineering services - in which it is the largest and longest established company in Vietnam - the manufacture and distribution of white goods and office leasing. REE has been focusing its investment portfolio in utilities and energy in recent years which accounted for nearly 50% of its total assets as at June 2014.	6,117	6.9
PVD	**Petrovietnam Drilling and Well Services JSC** Petrovietnam Drilling and Well Services JSC provides drilling, drilling-related services and other technical services. PVD has over 50% of the drilling market in Vietnam. Currently it operates ten rigs consisting of five of its own and five leased. PVD has posted strong growth with compound average growth rates for revenues and net profits of 25.2% and 28.8% for the last three years.	5,720	6.5
STB	**Sai Gon Thuong Tin Commercial Joint Stock Bank (Sacombank)** Sacombank was the first Vietnamese bank to be listed (in 2006) and is one of the three largest private joint stock banks in the country with total assets of US$8.5 billion as at 30 June 2014, having grown its loan book and shareholders' equity by 622% and 496% respectively between	5,462	6.2

2006 and 2014.

FPT	**FPT Corporation** FPT Corporation is Vietnam's leading I.T. services company with top three market share across most business lines including systems integration, software outsourcing and internet services. Substantial labour cost advantages over Indian and other international peers underpin its growing software outsourcing business.	4,631	5.2
HAG	**Hoang Anh Gia Lai JSC** Hoang Anh Gia Lai JSC has traditionally been one of the leading real estate developers in Vietnam, with a main focus on the mid-end sector, but has diversified into rubber, sugar, hydropower and mining. HAG is currently restructuring by spinning off most of its Vietnamese real estate assets to focus on its agriculture businesses and its real estate business in Myanmar.	3,664	4.1
DRC	**Da Nang Rubber JSC** Da Nang Rubber JSC is one of the leading tyre manufacturers in Vietnam with over 30 years in operation. It ranks number one in producing tyres for cars and trucks in the domestic market and was the first company in Vietnam to produce radial tyres. DRC has a key niche product, off-the-road (OTR) tyres which are sold to Vinacomin, the country's largest state-owned coal mining company.	2,706	3.1
VSC	**Vietnam Container Shipping JSC** Vietnam Container Shipping JSC is one of the leading container transport companies in Vietnam. VSC has its own container terminal and warehouse in Hai Phong City which is running near full capacity, and has trucking lines for container and conventional cargo moving services throughout Vietnam.	2,665	3.0
		65,340	73.9

PRINCIPAL RISKS AND UNCERTAINTIES

The Board confirms that there is an ongoing process for identifying, evaluating and managing the principal risks affecting the Company, which fall under the headings of market risks, performance risks, share price risks, regulatory risks and control systems risks. The Audit Committee performs a risk assessment and risk management process which is updated and reviewed at least on an annual basis. The Board reviews and agrees policies for managing risks, and the summaries of these are set out below.

Market risks

The Company's assets consist mainly of listed securities and the principal risks are market related such as price volatility, foreign exchange risk and inflation risk. The Company is exposed to market price risk on all of its investments and is subject to additional risks arising from the concentration of investments in the Vietnamese stock markets, resulting in the Company being heavily dependent on the performance of these particular stock markets.

The siting by a Chinese company of an exploration rig in disputed waters off the coast of Vietnam in May 2014 has highlighted the risks to the Vietnamese economy and stock market from any similar incidents in future, including: uncertainty over the impact on trade with China and the risk that anti-Chinese protests could damage Vietnam's position as a manufacturing and production base.

The Company invests across a range of industries. The current intention is to invest no more than 40% of the Company's assets at the time of investment in any one sector.

Performance risks

The achievement of the Company's performance objective requires the acceptance of risk. Strategy, asset allocation and stock selection might lead to underperformance in comparison to the VNI. The Investment Manager has significant discretion, subject to the Company's investment objective, policy and guidelines, in selecting, evaluating, executing, monitoring and realising investments on the Company's behalf. The Investment Manager has substantial experience in investing and managing investments in Vietnam, but there is no guarantee that its investments for and the management of the Company will produce long-term capital appreciation of the assets of the Company.

Management of these risks is carried out by the Board which, at each Board meeting, considers the asset allocation of the portfolio at an industry sector level and reviews significant holdings, recent trading and expenses. The Investment Manager is responsible for actively monitoring the portfolio selected in accordance with the investment policy and restrictions. The NAV per share of the Company is calculated and published each working day.

As at 30 September 2014 the holding of the Company in Vinamilk represents 20.5% of the net assets of the Company. The original purchases of Vinamilk shares were in compliance with the investment restriction that the Company will not invest more than 10% of its net asset value at the time of the investment in the shares of a single investee company. The share price performance of Vinamilk both absolute and relative to the rest of the portfolio over a number of years has resulted in a high concentration of net asset value of the Company in this position. The Board recognises that action is required to limit this concentration of risk and the Investment Manager intends to make sales if necessary to restrict the weighting to a maximum of 30% of net asset value.

Share price risks

The share price of the Company may vary significantly. The price of the Company's shares and its premium or discount to NAV is not a factor that the Company is able to control.

The Company's share price, NAV and discount volatility are monitored daily by the Investment Manager and considered by the Board at each of its meetings.

Regulatory risks

The investment activities of the Company are primarily focused on Vietnam. The value of the Company's assets may be affected by regulatory changes, which could include changes in Vietnamese government policies relating to foreign investment, taxation, securities market regulations and foreign currency conversion and repatriation.

The Investment Manager reports to the Board on any regulatory developments in Vietnam. The Audit Committee considers regulatory risks in general and any Vietnam-specific matters in the annual risk assessment process.

Control systems risks

The Company is dependent on the Investment Manager's control systems and those of its Custodian, Administrator and Registrar, all of which are monitored and managed by the Investment Manager. The Investment Manager provides a regular report to the Audit Committee on compliance matters and internal control.

GOING CONCERN

The Company's assets consist mainly of securities which are readily realisable and the Company has no gearing and does not have a significant level of financial or contingent liabilities. The Board receives reports from the Investment Manager for its regular Board meetings, including portfolio analysis and financial position of the Company.

Despite the risks associated with investment in Vietnam, the Directors have a reasonable expectation that the Company has adequate resources to continue its business, with its stated objective and strategy, for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

SHARE CAPITAL

The Company's authorised share capital comprises 30,000,000 Ordinary Shares with a par value of US$0.05 per share and 20,000,000 C Shares with a par value of US$0.05 per share. As at 30 September 2014: 12,000,000 Ordinary Shares were issued and fully paid and no C Shares were issued.

RELATED PARTY TRANSACTIONS

Related parties include any entities and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them control or significant influence over the Company. The Company's Directors, Investment Manager, directors and key management personnel of the Investment Manager, including close members of the family of these individuals and entities which are controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, these individuals, also constitute related parties.

Directors

In accordance with the Company's Articles of Association any non-independent Director shall be subject to annual re-election at a meeting of shareholders and any independent Director shall retire and be subject to re-election at the third annual general election after that at which he was last elected. Mr Philip Smiley, Mr Urs Bolzern, Mr Antony Jordan, Mr Christopher Vale and Ms Trinh Thanh Mai stood for re-election at the annual general meeting on 30 May 2014 and were re-elected. It is the current intention of the Board that all Directors will be subject to annual re-election at a meeting of shareholders.

The total amount of fees payable to the Directors for the year ended 30 September 2014 was US$105,000 (30 September 2013: US$105,000) and the outstanding fees payable as at 30 September 2014 was US$105,000 (30 September 2013: US$92,000).

During the year ended 30 September 2014, Mr Urs Bolzern sold 40,000 shares of the Company.

Interests of the Directors in the Company's shares:

	Number of shares As at 30 September	
Director	**2014**	**2013**
Philip Smiley (held by a trust of which Philip Smiley's family are the principal beneficiaries)	41,000	41,000
Urs Bolzern	40,000	80,000
Antony Jordan	-	-
Christopher Vale	-	-
Trinh Thanh Mai	-	-

Investment Manager

Management fee payable to PXP Vietnam Asset Management Limited (the "Investment Manager") for the year to 30 September 2014 was US$1,610,000 (30 September 2013: US$1,195,000) and there was no outstanding fee payable at 30 September 2014 or at 30 September 2013. The Investment Manager does not receive an incentive or performance fee.

During the year ended 30 September 2014, the Investment Manager purchased 100,000 shares of the Company.

As at 30 September 2014, the Investment Manager held 546,536 shares of the Company (30 September 2013: 446,536 shares), of which 10,000 shares are non-beneficial. Mr Kevin Snowball and Ms Joelle Daumas-Snowball, owners of the ultimate holding company of the Investment Manager, own as at 30 September 2014 either individually, jointly or through a company that they jointly own, a further 175,825 shares of the Company (30 September 2013: 175,825 shares).

MERGER PROPOSALS

PXP Vietnam Asset Management Limited, the Investment Manager, has submitted a proposal to the Board that the Company merge with PXP Vietnam Emerging Equity Fund Limited ("VEEF"), a Cayman Islands open-ended mutual fund which is also managed by the Investment Manager (the "Merger").

The rationale for the proposal is that the shareholders of both constituent entities would benefit from being members of an enlarged fund with the combination of similarly focused investment portfolios, savings from economies of scale and a reduction in concentration risk for shareholders. As the surviving entity in the proposed Merger, VEEF, is an open-ended fund with a monthly subscription and redemption cycle, the Company's shareholders would benefit after the merger from having the opportunity to subscribe for new shares or redeem their shares at Net Asset Value (less a redemption fee) on a monthly basis.

Under the proposed Merger, the Company's shareholders would have their shares cancelled in return for the issue of new participating shares in VEEF based on a share exchange ratio which would be calculated on the basis of the respective net asset values per share of the Company and VEEF on the valuation date, which is 31 December 2014.

The effective date of the Merger, if approved by shareholders, is expected to be 2 February 2015.

The consent of shareholders is required to approve the Merger under The Companies Law (2013 Revision) of the Cayman Islands, by the passing of a special resolution in a general meeting. The consent of shareholders is further required under the Listing Rules to cancel the listing of the Company's shares on the premium segment of the Official List of the United Kingdom Listing Authority ("UKLA") once the Merger has been implemented.

A shareholder circular concerning the proposed Merger (the "Circular") will shortly be despatched to shareholders. The Circular will include notice of an Extraordinary General Meeting to be held on 17 December 2014 at which shareholders will be invited to vote on the Merger proposal.

If the Merger proposals are approved, it is intended that the Company will apply to the UKLA for the cancellation of the listing of its shares on the Official List of the UKLA.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Board of Directors is responsible for the financial statements which give a true and fair view of the financial position of the Company as at 30 September 2014 and of its financial performance, cash flows and changes in shareholders' equity for the year then ended. In preparing these financial statements, the Board of Directors is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Directors is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and which enable financial statements to be prepared which comply with International Financial Reporting Standards. The Board of Directors is also responsible for safeguarding the assets of the Company and thus for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We confirm to the best of our knowledge:

- The financial statements have been prepared in accordance with International Financial Reporting Standards and give a true and fair view of the assets, liabilities, financial position, financial performance and cash flows of the Company.
- The Directors' Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.
- The Annual Report for the year ended 30 September 2014 taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

Approved by the Board of Directors on 21 November 2014
and signed on its behalf by

Philip Smiley
Chairman
21 November 2014

BALANCE SHEET

	As at 30 September	
	2014	**2013**
	US$'000	**US$'000**
Assets		
Current assets		
Financial assets at fair value through profit or loss	86,736	69,833
Receivables and prepayments	25	154
Cash and cash equivalents	1,911	317
Total assets	88,672	70,304
Equity		
Capital and reserves attributable to equity holders of the Company		
Issued capital	600	600
Share premium	33,953	33,953
Cumulative translation reserve	(16,151)	(15,686)
Other reserve	-	(102)
Retained earnings	69,932	51,393
Total equity	88,334	70,158
Liabilities		
Current liabilities		
Due to brokers	153	-

Accrued fees and other payables	185	146
Total liabilities	338	146
Total equity and liabilities	88,672	70,304
Net asset value per share (US$ per share)	7.361	5.847

INCOME STATEMENT

	Year ended 30 September	
	2014 US$'000	**2013 US$'000**
Income		
Interest income	-	1
Dividend income	3,337	3,244
Net gains on financial assets at fair value through profit or loss	17,630	20,008
Net investment income	20,967	23,253
Expenses		
Management fee	(1,610)	(1,195)
Custodian, administration and secretarial fees	(116)	(90)
Transaction costs	(27)	(20)
Directors' fees	(105)	(105)
Foreign exchange loss – net	(1)	(1)
Other operating expenses	(569)	(180)
Total operating expenses	(2,428)	(1,591)
Profit before tax	18,539	21,662
Income tax expense	-	-
Net profit for the year	18,539	21,662
Earnings per share – basic (US$ per share)	1.54	1.81

STATEMENT OF COMPREHENSIVE INCOME

	Year ended 30 September	
	2014 US$'000	**2013 US$'000**
Net profit for the year	18,539	21,662
Other comprehensive income/(loss)		
Items that will not be reclassified to profit or loss:		
Currency translation differences	(465)	(674)
Items that may be reclassified subsequently to profit or loss:		
Reclassification of C Shares issue fees	102	9
Total other comprehensive loss for the year	(363)	(665)
Total comprehensive income for the year	18,176	20,997

STATEMENT OF CHANGES IN EQUITY

	Issued capital US$'000	Share premium US$'000	Cumulative translation reserve US$'000	Other reserve US$'000	Retained earnings US$'000	Total US$'000
Balance at 1 October 2012	600	33,953	(15,012)	(111)	29,731	49,161
Net profit for the year	-	-	-	-	21,662	21,662
Other comprehensive income/(loss):						
Currency translation differences	-	-	(674)	-	-	(674)
C Shares issue fees	-	-	-	9	-	9
Total comprehensive income/(loss) for the year ended 30 September 2013	-	-	(674)	9	21,662	20,997
Balance at 30 September 2013	600	33,953	(15,686)	(102)	51,393	70,158
Net profit for the year	-	-	-	-	18,539	18,539
Other comprehensive income/(loss):						
Currency translation differences	-	-	(465)	-	-	(465)
Reclassification of C Shares issue fees	-	-	-	102	-	102
Total comprehensive income/(loss) for the year ended 30 September 2014	-	-	(465)	102	18,539	18,176
Balance at 30 September 2014	600	33,953	(16,151)	-	69,932	88,334

STATEMENT OF CASH FLOWS

	Year ended 30 September 2014 US$'000	Year ended 30 September 2013 US$'000
Cash flows from operating activities		
Purchases of financial assets	(7,018)	(6,558)
Proceeds from sales of financial assets	7,458	5,067
Dividends received	3,466	3,208
Interest received	-	1
Operating expenses paid	(2,312)	(1,624)
Net cash generated from operating activities	1,594	94
Increase in cash and cash equivalents	1,594	94
Cash and cash equivalents at beginning of year	317	223
Cash and cash equivalents at end of year	1,911	317

NOTES TO THE FINANCIAL STATEMENTS

Net asset value per share and earnings per share

	As at 30 September 2014	As at 30 September 2013
Net asset value (US$)	88,334,000	70,158,000
Number of shares in issue	12,000,000	12,000,000
Net asset value per share (US$ per share)	7.361	5.847

	Year ended 30 September	
	2014	**2013**
Net profit for the year (US$)	18,539,000	21,662,000
Weighted average number of ordinary shares in issue	12,000,000	12,000,000
Basic earnings per share (US$ per share)	1.54	1.81

Costs of cancelled C Share Offer

Legal and professional fees and expenses incurred in the year ended 30 September 2014 in connection with the proposed offer of C Shares amounted to US$307,000. Following the cancellation of the C Share Offer on 27 June 2014, the balance of fees and expenses incurred prior to 30 September 2013 in preparation for the C Share Offer of US$102,000 (which had been posted to "Other reserve") was reclassified to the income statement, giving a total amount of fees and expenses incurred in connection with the C Share Offer of US$409,000 which is included within legal and professional fees in the income statement for the year ended 30 September 2014.

The above statements have been prepared on the basis of the accounting policies as set out in the annual financial statements to 30 September 2014. This announcement was approved by the Board on 21 November 2014. It is not the Company's annual financial statements. The financial statements for the financial year ended 30 September 2014 have been approved and audited. The financial statements for the financial years ended 30 September 2014 and 30 September 2013 received unqualified audit reports.

The annual report and financial statements of the Company for the year ended 30 September 2014 have been submitted to the Central Bank of Ireland and the UK Listing Authority and will shortly be available for inspection on the UK National Storage Mechanism (NSM):

www.hemscott.com/nsm.do

(Documents will usually be available for inspection within two business days of this notice being given)

The annual report and financial statements will be posted to shareholders as soon as is practicable and in any event no later than 31 January 2015. The annual report and financial statements will shortly be available in the section relating to the Company on the website of the Investment Manager at www.pxpam.com