

Spotlight on Alternatives Platform

Q3-2022 |



Q2-2022



CLEAN ENERGY & INFRASTRUCTURE

Vietnam's energy sector is at an inflection point. The country is focused on developing sustainable energy solutions, and VinaCapital is at the forefront of private sector investment across a diverse portfolio of energy projects, providing both transitory and long-term solutions for Vietnam.

Investment Highlights

Q2 2022 was a busy and exciting time for the energy market in Vietnam. We witnessed various M&A movements within the sector, involving the largest renewable players. The scale of these deals also increased, moving from single asset acquisitions to congregated portfolios. These dynamics demonstrate the confidence that investors have for the future of renewable energy development in Vietnam.

Despite the bustling M&A market, the PDP8 has yet to be released. We expect the final release in October 2022 at the latest. We understand that rapidly increasing oil and gas prices have complicated the completion of the PDP8, but we remain optimistic that clean energy will be prioritized to obtain plentiful affordable electricity for the country.

From VinaCapital's vantage point, we have received positive feedback from our foreign partners who have shown interest in investing in Vietnam, given that there is still a great deal of upside potential to capture. The team at VinaCapital has been working on several new initiatives with investors, which will soon be announced to the market in the upcoming months. These investments focus on large-scale, sustainable developments that will not only help alleviate Vietnam's so-called perpetual infrastructure issues, but which also align with our ESG standards. With the addition of the new investments into our portfolio, we believe that VinaCapital will become one of the most comprehensive energy and infrastructure investors in Vietnam.



On LNG, VinaCapital and our strategic partner, GS Energy, have conducted a site visit to NT2 power plant (developed by Petrovietnam), to exchange experience on project implementation, daily operation and participation to the Electricity market. For our Long An LNG-to-Power plants, we are aiming to submit the Feasibility Study by beginning of August 2022.





REAL ESTATE

VinaLiving is Vietnam's first lifestyle and tailored-living brand that caters to the new generation of Vietnamese homeowners. The VinaLiving collection of properties delivers customized living environments across a range of developments situated in premium locations. Our properties are developed to meet the growing demand in Vietnam for something "above the normal". It's not simply about building houses, but about designing a lifestyle and a vision for the future.

Development Highlights

The Exclusive Official Launch Of Fusion Resort & Villas Danang



A unique experience - an indelible impression: The exclusive official launch of Fusion Resort & Villas Danang project on June 25, 2022 marked the start of a new journey for the resort-living lifestyle in Da Nang.

The official launch event not only provided practical perspectives on resort living, but also enabled residents and investors to gain the most recent insights about the Da Nang resort real estate market as well as detailed information about the project's phase 2.

About Fusion Resort & Villas Danang:

The five-star Fusion Resort concept includes 85 luxurious homes, from one-bedroom to six-bedroom villas, all with their own private gardens, pools, and a unique feature - pavilions.

Ground-Breaking Ceremony Of Vinh Hoi Project

The ground-breaking ceremony for our Vinh Hoi project took place on April 19, 2022, marking a milestone in our vision to create an iconic development for Binh Dinh province. The project will become a must-visit destination that will attract both international and domestic travellers to Binh Dinh. Additionally, it will contribute to steady socio-economic growth and prosperity to the province.

About the Vinh Hoi project:

The 236-ha Vinh Hoi complex stretches along the pristine 2.7 km coastline, embraced by the verdant mountains, which form a magnificent valley from above. Between the mountains and the sea is a luxury enclave of accommodations, including hilltop and beach villas and a host of top-tier facilities from hotels, spas, restaurants, and clubhouses, to a cultural village. The site is 27 km from Phu Cat International Airport and 28 km from Quy Nhon City.





VENTURE CAPITAL

VinaCapital Ventures is a Vietnam-focused venture capital platform that invests in and builds world-class technology companies with the goal of incorporating them into a full digital ecosystem. Its mission is to help entrepreneurs build companies that make a significant impact on the lives of people in Vietnam and beyond.

Portfolio Highlights

On June 27, 2022, VinaCapital Ventures announced that it invested in M3TA, a Web3 data analytics company that seeks to empower businesses in Web3 with the power of data to help them truly understand their users.

M3TA's initial inspiration came from solving the structural inefficiencies that existed within blockchain gaming and guilds in 2021, where a lack of data led to massive underutilization of assets and disproportionately high gamer turnover. M3TA now aims to improve not only the blockchain gaming space but all of Web3 through their data analytics platform.



Portfolio Company Update:

Ecomobi, an investee of VinaCapital Ventures, officially launched Passio in Vietnam on April 28, 2022.

Passio is a pioneer platform in Southeast Asia to help creators earn directly from their fans with super-easy tasks. On Passio, creators can actively engage with fans on what they love by offering premium content, affiliating with good products and brands, and taking donations from them. In exchange, creators get the freedom to do their best work, giving them the stability they need to build independent creative careers. Ecomobi is closing its fund raising (\$50M pre-money) and will launch Passio in Philippines - Indonesia and Thailand in quarter 3.



Further information about Ecomobi: [Ecomobi – Social Selling Platform](#)



PRIVATE EQUITY

The VinaCapital Co-Investment Fund focuses on making private equity investments in Vietnam by co-investing with the London-listed USD1.3bn+ VinaCapital Vietnam Opportunity Fund. Investments are in companies across a range of sectors benefitting from Vietnam's domestic growth story, such as healthcare, education, consumer staples, real estate, and materials. Its strategy is to seek alignment with strong management teams, to obtain performance commitments and downside protections, and to achieve exits via strategic sales or IPOs over a 4–6-year horizon.

Investment Highlights

VinaCapital recently divested their stake in **Ngoc Nghia (NNG)**, a pioneer and leading manufacturer of PET packaging established in 1986. The founder built a strong customer base with one of the largest production facilities in Vietnam, delivering c7 billion products each year, from three production sites: two in southern Vietnam near Ho Chi Minh City and one outside Hanoi.



Over the years, NNG developed innovative, one-stop shop packaging solutions for its clients, which include large multi-nationals like Coca Cola, Pepsi, Unilever and leading local Vietnamese firms like Vinamilk. Its strong research and development capabilities helped it deliver efficient designs to respond to customer demands, increase cost-savings, and minimize environmental impact.

VinaCapital identified that NNG required significant capital every few years to re-invest in machinery to keep up with international standards. In 2019, we invested to take a significant minority stake in the business with two board seats. We developed a business plan with the CEO to position the business for a strategic sale and worked with the COO to improve operational efficiencies in the facilities and supply chain. A new CFO was hired to help restructure the balance sheet. Updates were made to machinery and the new production facility in northern Vietnam was established to be closer to customers there.



Crucially, during the pandemic lockdowns over 2020 and 2021, the management team were able to keep production facilities running while complying with local government rules for worker safety.

We negotiated a majority sale of the business in 2022 to Indorama Netherlands, a global player in the plastic packaging business. Our team was able to build trust with management to restructure the business, negotiate trade sale terms with a global strategic player, and carry out the sale transaction via a thorough public tender offer process.





17th Floor, Sun Wah Tower
115 Nguyen Hue, District 1, Ho Chi Minh City, Vietnam
P: + 84 (28) 8 3821 9930
Email: ir@vinacapital.com
Website: www.vinacapital.com