

A nighttime aerial view of Ho Chi Minh City, Vietnam, with the Bitexco Financial Tower on the left and the city lights extending to the water on the right. The sky is a deep blue, and the buildings are illuminated with various colors.

# VinaCapital Vietnam Opportunity Fund

(LSE: VOF.LN)

Investor Update

April 2024

# VOF's differentiated investment approach focuses on private investments and privately negotiated deals in quoted businesses

**\$1.2BN**

ASSETS UNDER  
MANAGEMENT

**200+**

INVESTMENTS SINCE  
INCEPTION 2003

**20% IRR**

PE INVESTMENTS  
OVER 20 YRS

**FOCUS**

PRIVATE AND  
PUBLIC EQUITY,  
PRIVATE CREDIT



The slide features a white background with decorative geometric shapes. In the top-left corner, there is a grey triangle pointing downwards and to the right, with a red triangle partially visible above it. In the bottom-right corner, there is a grey triangle pointing upwards and to the left.

# Macroeconomic Update

31 March 2024

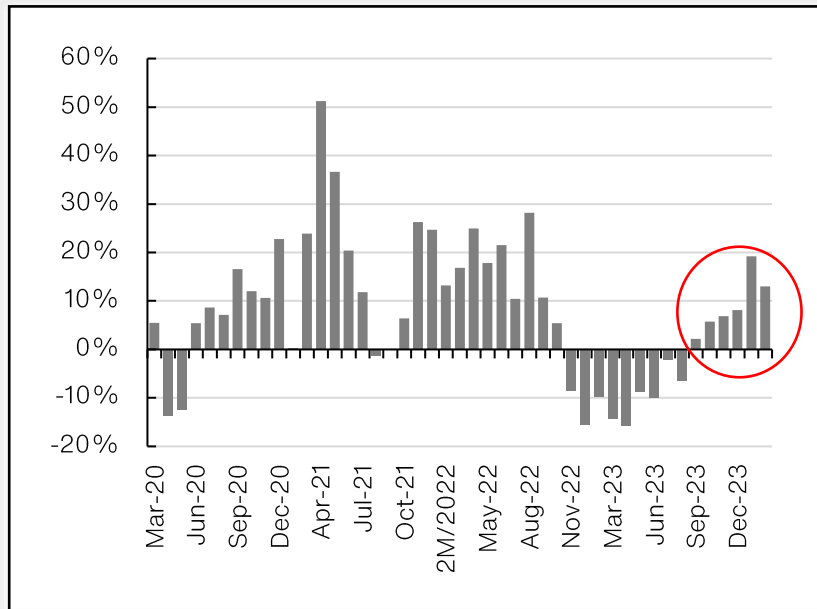
# Modest GDP Growth in Q1

|                   | 2023  | Q1    | 2024F |
|-------------------|-------|-------|-------|
| GDP               | 5.1%  | 5.7%  | 6.5%  |
| Real Retail Sales | 7.1%  | 5.1%  | 7.5%  |
| Manufacturing     | 3.6%  | 7.0%  | 8.0%  |
| Export Growth     | -4.4% | 17.0% | 7.0%  |

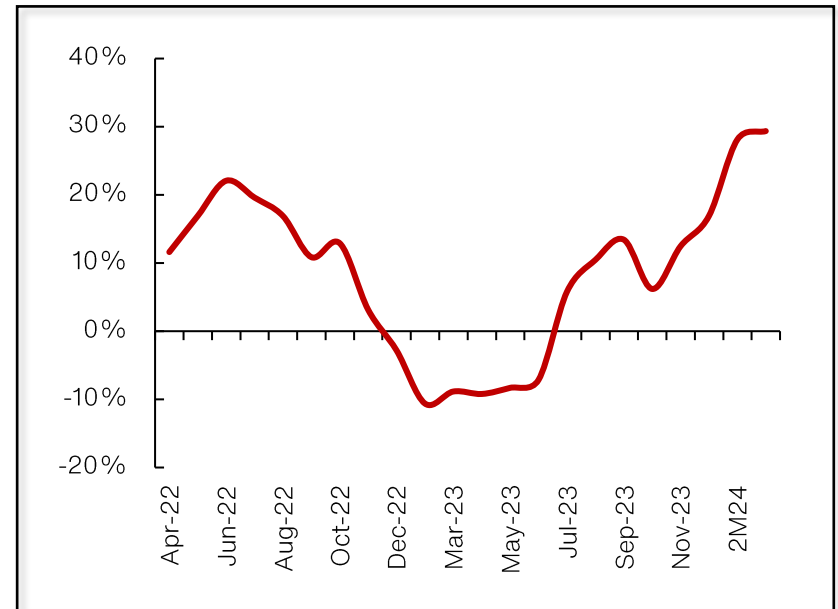
Source: GSO, Bloomberg, VinaCapital

# Vietnam Export Recovery – Driven by Tech

Exports (% yoy)



PC & Electronics Exports (% yoy)



# Vietnam's Real Estate Market is Heating Up



**Buyers snap up apartments on fear of rising prices**

April 12, 2024

## VN Dong Depreciated ~3-4% YTD



Vietnamese Savers Aggressively Buying Gold



US Dollar/DXY Index Up ~5% YTD



Trade Surplus (8%/GDP) and FDI (~5%/GDP)

**Interest Rates in VN  
Headed Slightly Higher**

# Vietnam's FDI Story Keeps Getting Better-and-Better

## 1) Vietnam is a Clear Winner From Geopolitics

THE WALL STREET JOURNAL.

Why Everyone Wants to Be Vietnam's Friend

**Bloomberg**

Everyone Is Wooing Vietnam. Why Hanoi's 'Bamboo Policy' Works

## 2) Vietnam Continues to Move Up the Value Chain

**NIKKEI Asia**

Apple to move key iPad engineering resources to Vietnam

**Việt Nam News**  
THE NATIONAL ENGLISH LANGUAGE DAILY

VN getting ready for the fourth FDI boom

## 3) New FDI Projects +58% yoy in Q1 to 5%/GDP



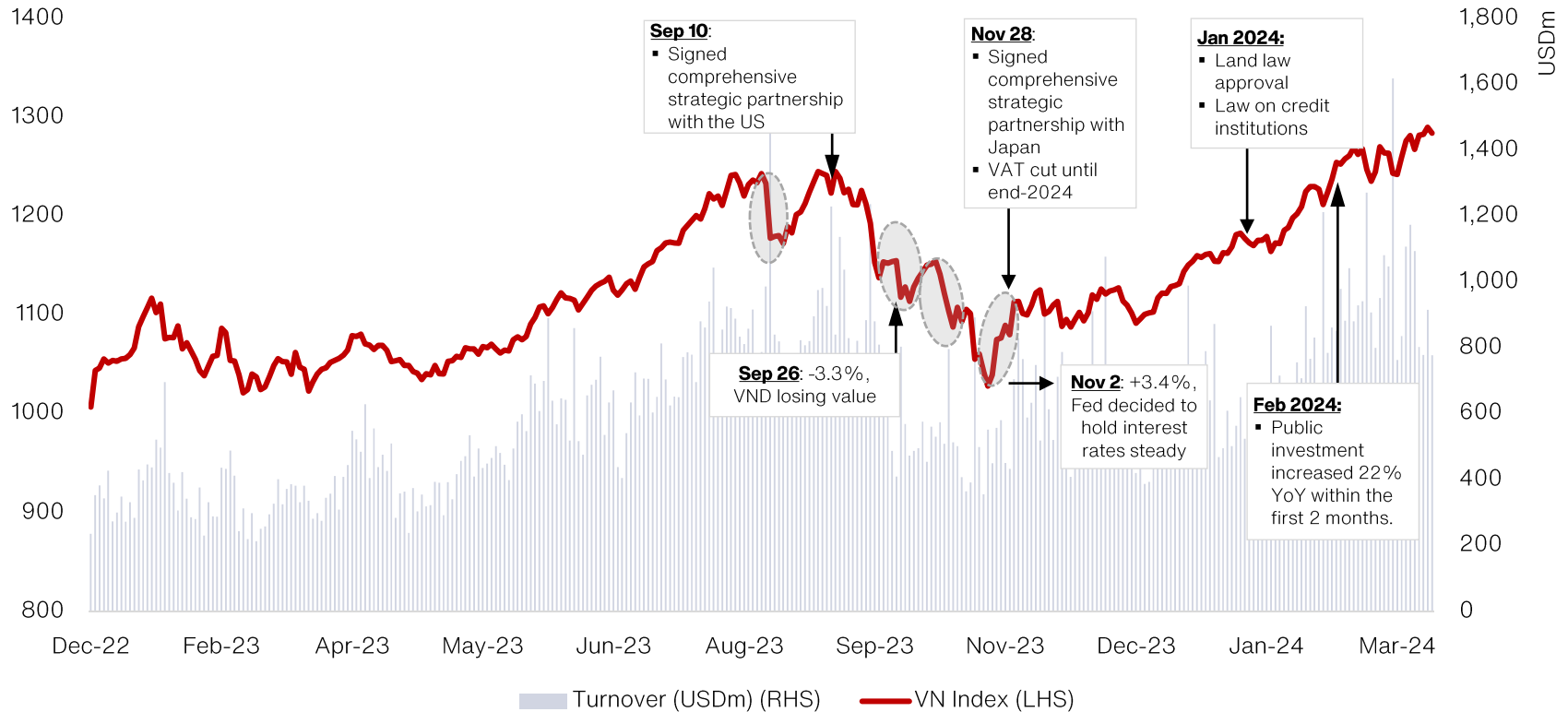
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# Stock Market Update

31 March 2024

# VN-Index: Key Events

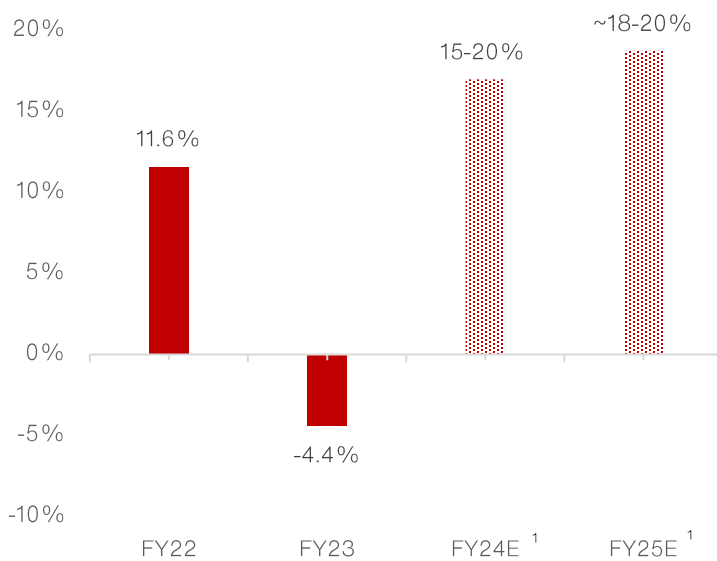
VN best performing in SE Asia 11.3% (\$TR) in Q124



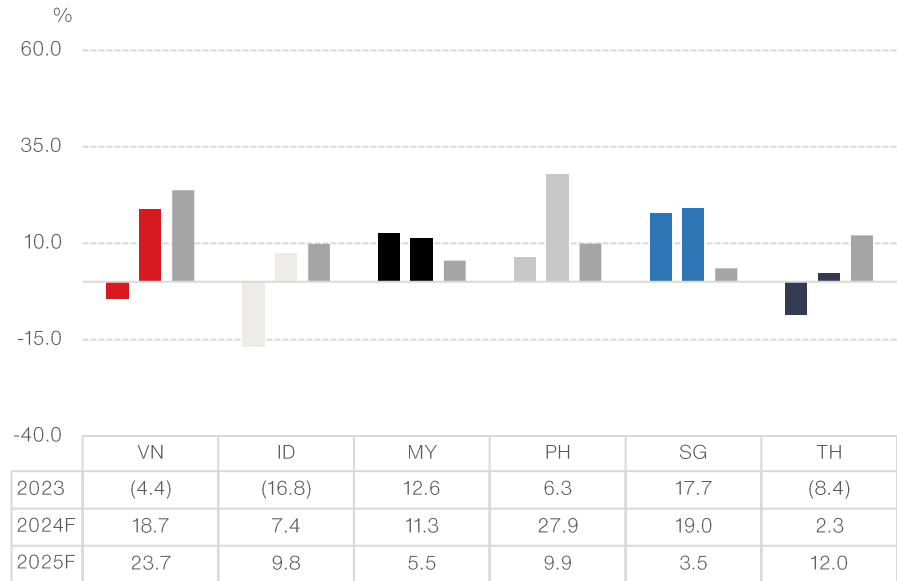
Source: Bloomberg, data as of 31 Mar 2024

# Earnings Growth is Key Determinant Of Market In The Long Run: 15-20% Earnings Growth Forecast In 2024-2025, faster than the ASEAN avg.

Forecast earnings growth – VN Index (% y/y)



ASEAN – Net profit growth<sup>2</sup>



Source: Bloomberg, VinaCapital, 31 Mar 2024

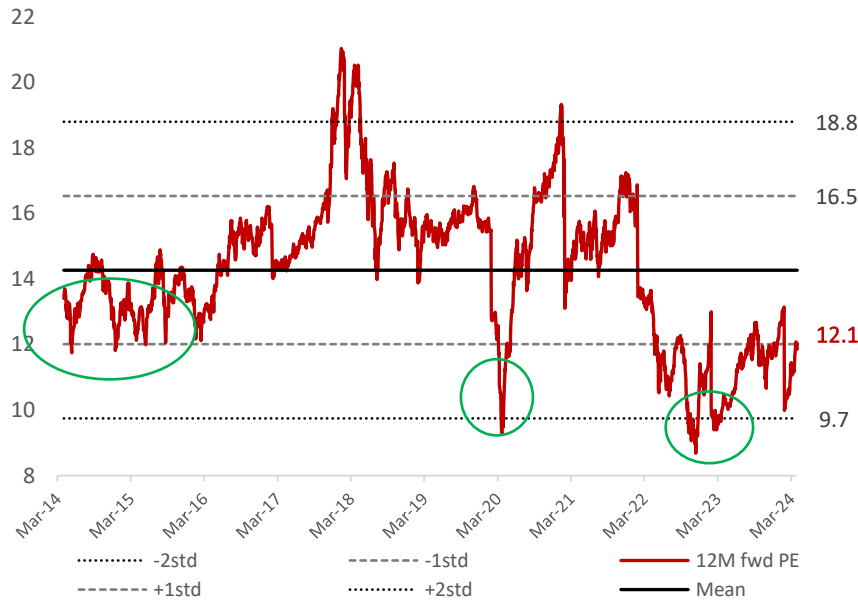
<sup>1</sup>VinaCapital's coverage, representing 90% of HSX by market capitalization;

<sup>2</sup>Bloomberg consensus

# Overall, VN Index Valuation Remains Very Attractive

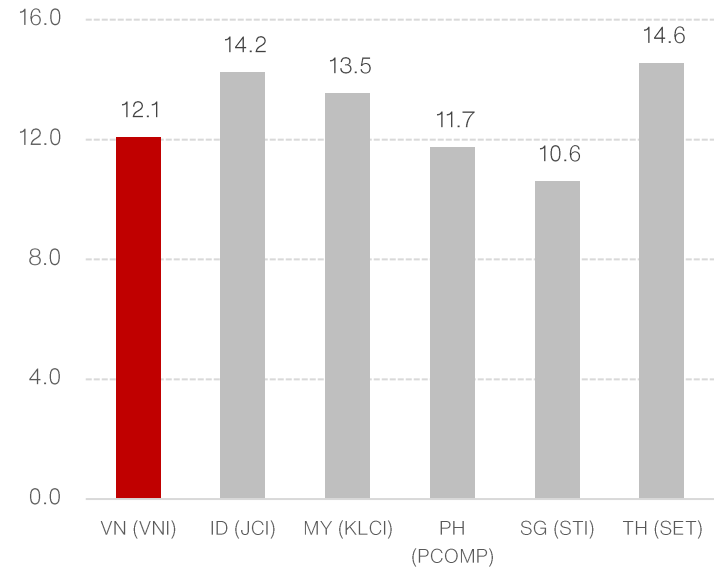
>1 std dev below avg, trading at wide discount to region

VN Index 12M P/E forward (x)



Source: Bloomberg, VinaCapital; Data as of Mar 31, 2024

Comparison of 12M P/E forward (x)



Source: Bloomberg, VinaCapital; Data is as of Mar 31, 2024



# VinaCapital Vietnam Opportunity Fund (VOF)

FTSE250 Investment Company with 20 years' experience in Private Equity opportunities

VOF invests growth equity in privately negotiated opportunities across listed and private equity.

We are long-term, active investors who take significant minority stakes in leading companies in Vietnam.

# Investment Criteria. What we look for in businesses

## Scale



## Brand



## Distribution



## Management Alignment



## Competitive Advantage



## Sustainability



# 3.1 PORTFOLIO UPDATE

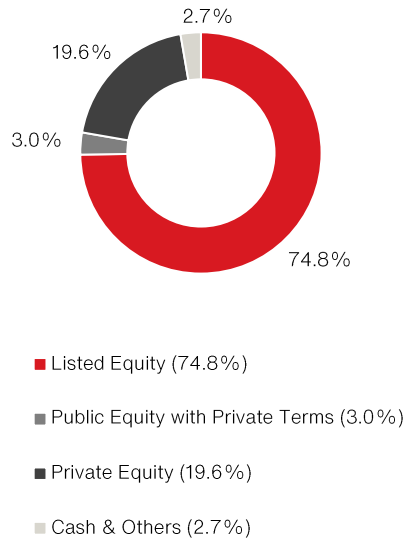
31 March 2024



# VOF Portfolio: Dashboard (31 March 2024)

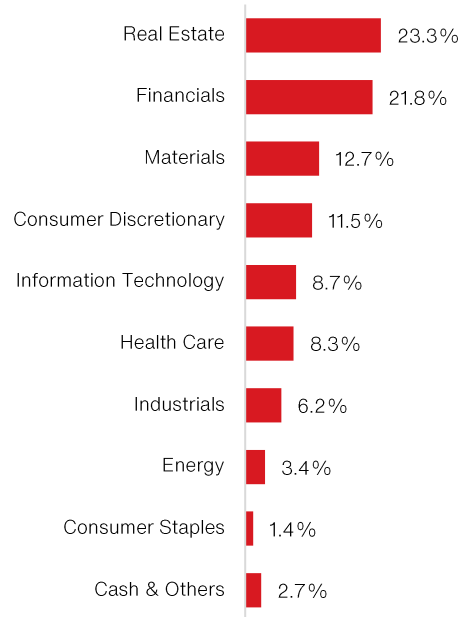
## Asset Class

VOF NAV by Asset Class (%)



## Sector

VOF NAV by Sector (%)



## Top Listed Holdings

VOF Top 5 Investments

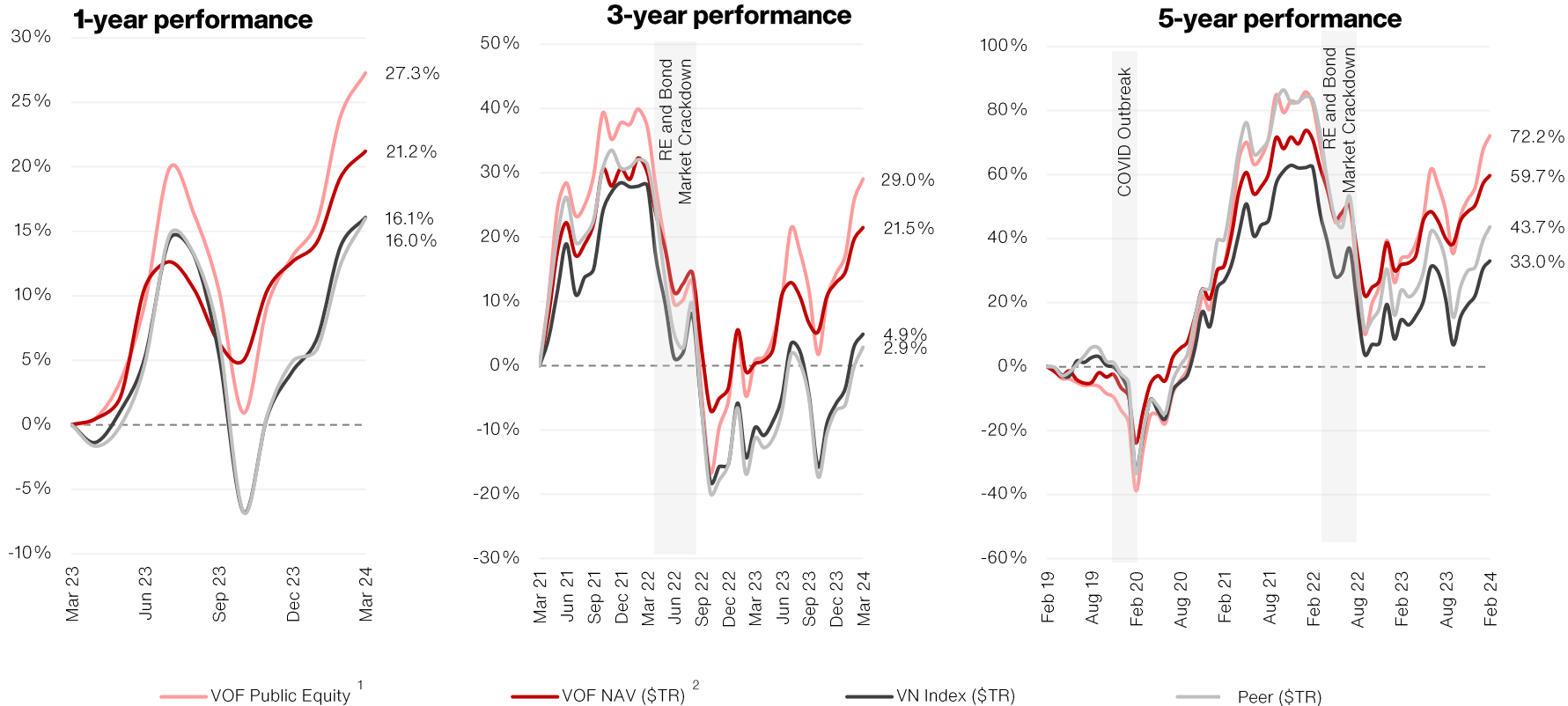
|              | Top 5 Investments                     | NAV USDm     | % NAV        |
|--------------|---------------------------------------|--------------|--------------|
| 1            | Asia Commercial Bank (ACB)            | 163.6        | 14.1%        |
| 2            | Khang Dien House (KDH)                | 128.7        | 11.1%        |
| 3            | Hoa Phat Group (HPG)                  | 103.9        | 8.9%         |
| 4            | FPT Corporation (FPT)                 | 101.5        | 8.7%         |
| 5            | Airports Corporation of Vietnam (ACV) | 65.0         | 5.6%         |
| <b>Total</b> |                                       | <b>562.8</b> | <b>48.3%</b> |

Source: VinaCapital. The unaudited NAV breakdown as of 31 Mar 2024.

# 3.2. Portfolio Performance

31 DECEMBER 2023

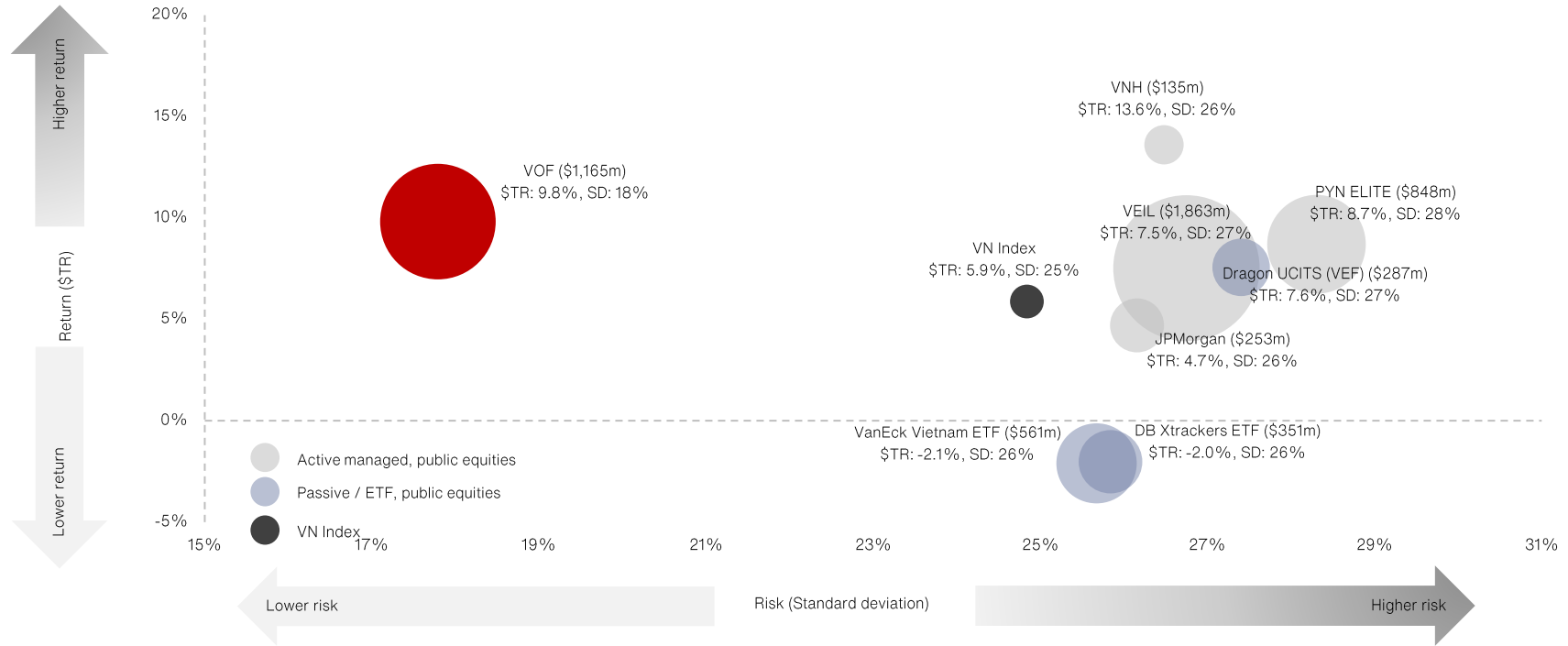
# VOF NAV and Public Equity portfolio continues to outperform VNI and Peers over the long-term, particularly during periods of volatility



<sup>1</sup> Assuming the TER of approximately 1.3% per annum

<sup>2</sup> NAV total return up to of 31 Mar 2024.

# VOF continues to outperform VNI and Peers over the long-term, particularly during periods of volatility



Source: VinaCapital, Bloomberg, 31 Mar 2024

The data is based on the monthly NAV in USD terms, over the last 5 years from 1 Apr 2020 to 31 Mar 2024

Return: 5-year CAGR in USD terms, total return basis.

Risk: NAV volatility, which is the annualised standard deviation of the monthly NAV return over the past 5 years.

The size of the bubble denotes the fund size, which is total net asset value or total asset under management.

# 3.3. Investment holdings update

31 DECEMBER 2023

# Portfolio: Top Listed Equity and Private Equity holdings

## No significant changes over 6 months to 31 Dec 2023

| Top 10 Listed Public Equity <sup>2</sup> |                                       | NAV <sup>1</sup><br>USDm | %NAV <sup>1</sup> |
|--|---------------------------------------|--------------------------|-------------------|
| 1  | Asia Commercial Bank (ACB)            | 150.1                    | 13.6%             |
| 2  | Khang Dien House (KDH)                | 109.4                    | 9.9%              |
| 3  | Hoa Phat Group (HPG)                  | 99.7                     | 9.0%              |
| 4  | FPT Corporation (FPT)                 | 78.3                     | 7.1%              |
| 5  | Vietnam Prosperity Bank (VPB)         | 58.0                     | 5.2%              |
| 6  | Airports Corporation of Vietnam (ACV) | 53.0                     | 4.8%              |
| 7  | Phu Nhuan Jewelry (PNJ)               | 43.5                     | 3.9%              |
| 8  | Vinhomes (VHM)                        | 39.4                     | 3.6%              |
| 9  | Orient Commercial Bank (OCB)          | 35.7                     | 3.2%              |
| 10                                       | Dat Xanh Services (DXS)               | 32.8                     | 3.0%              |
| <b>Total</b>                             |                                       | <b>700.1</b>             | <b>63.3%</b>      |

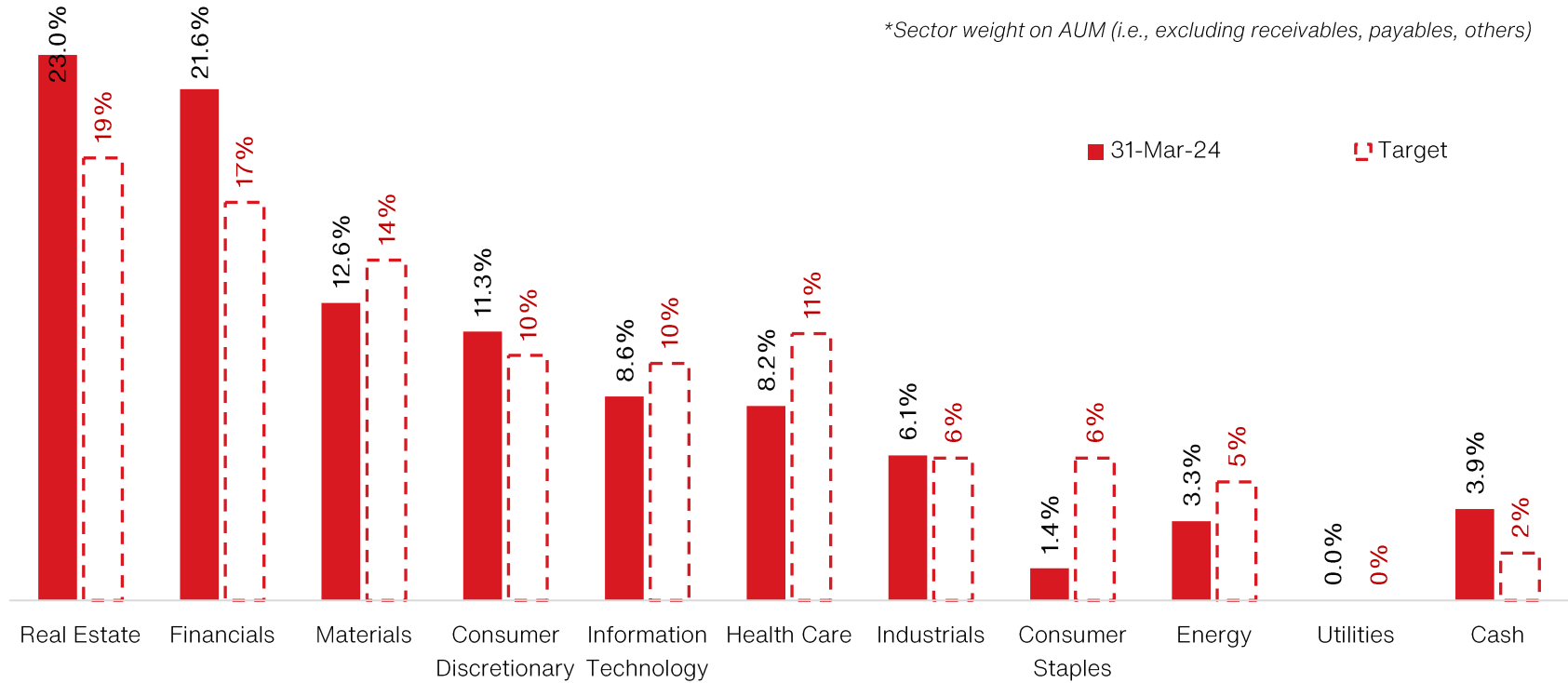
| Private Equity and Public Equity with Private terms <sup>3</sup> |                        | NAV <sup>1</sup><br>USDm | %NAV <sup>1</sup> |
|--|------------------------|--------------------------|-------------------|
| 1  | Thu Cuc Medical        | 47.3                     | 4.3%              |
| 2  | Tam Tri Medical        | 46.8                     | 4.2%              |
| 3  | IN Holdings (Twins)    | 36.8                     | 3.3%              |
| 4  | Norfolk II & III (NVL) | 36.2                     | 3.3%              |
| 5  | Chicilon               | 34.3                     | 3.1%              |
| 6  | Hung Thinh Land        | 21.2                     | 1.9%              |
| 7  | Nova Consumer          | 16.9                     | 1.5%              |
| 8  | Hung Vuong Plaza       | 13.7                     | 1.2%              |
| 9  | Petrolimex Aviation    | 11.4                     | 1.0%              |
| <b>Total</b>   |                        | <b>264.4</b>             | <b>23.9%</b>      |



1. Unaudited NAV as of 31 Dec 2023
2. Listed Equity holdings (72.8%), including Listed equity with terms (9.5%).
3. Private Equity (19.1%) and Public Equity with Private terms (4.8%)

# Target Sector Allocation

\*Sector weight on AUM (i.e., excluding receivables, payables, others)



# VOF: 200+ Investments



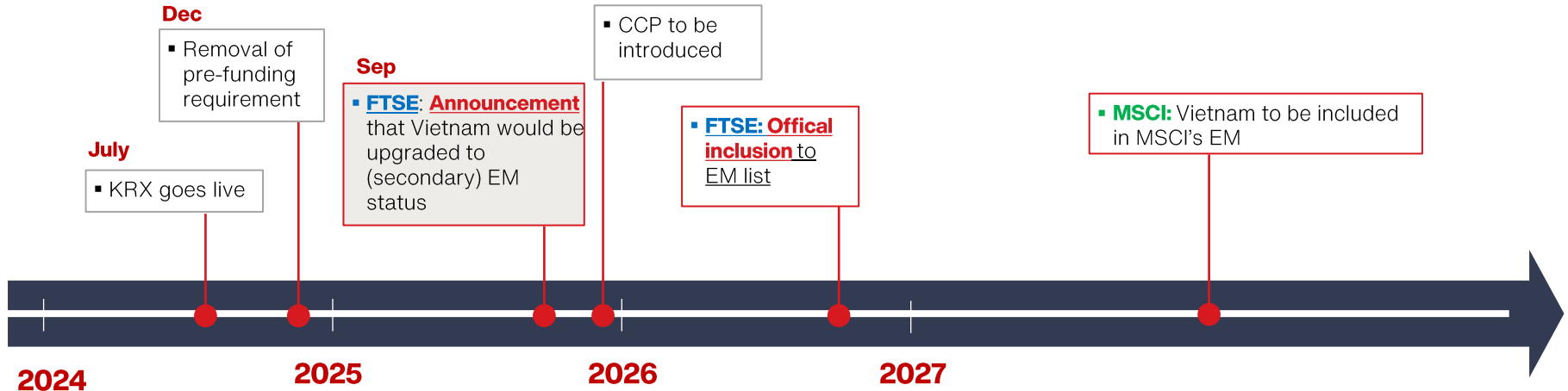




# Q&A

31 March 2024

# Expected Timeline For Vietnam's Upgrade To Emerging Market



## FTSE Russell (secondary) EM Index

(16 investment funds tracking the FTSE EM Index with a total AUM of 90 billion USD)

- Meet 7/9 criteria as of now.
- Criteria to be resolved:
  - ❌ Settlement Cycle (DvP) (**prefunding requirement removal**)
  - ❌ Settlement - costs associated with **failed trades**

## MSCI EM Index

(844 investment funds tracking the MSCI EM index with a total AUM of 615 billion USD)

- Meet 8/17 criteria as of now
- Main criteria to be resolved:
  - ❌ **Prefunding requirement removal**
  - ❌ **Limitations on foreign ownership**

Source: FTSE Russell, MSCI Index, VinaCapital compilations

# MSCI EM inclusion holds greater significance than FTSE

But the hurdles are much higher and more challenging

| Index               | No of funds | NAV (US\$bn) |
|---------------------|-------------|--------------|
| FTSE (secondary) EM | 16          | 90           |
| MSCI EM             | 844         | 615          |
| <b>Total</b>        | <b>860</b>  | <b>705</b>   |

- Weight of Vietnam in the 2 indices (MSCI and FTSE EM) is anticipated to be **0.7 - 1.2%**
- Foreign capital inflow into Vietnam's stock markets could potentially reach **US\$5 - 8bn**

Source: Bloomberg, FTSE Russell, MSCI Index, VinaCapital compilations