



VINACAPITAL VIETNAM OPPORTUNITY FUND (“VOF”)

31 December 2017 Interim Results

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28 March 2018

Public

ANDY HO  
Chief Investment Officer

# VOF – a deep focus on private equity and privately negotiated opportunities

## Our strategy

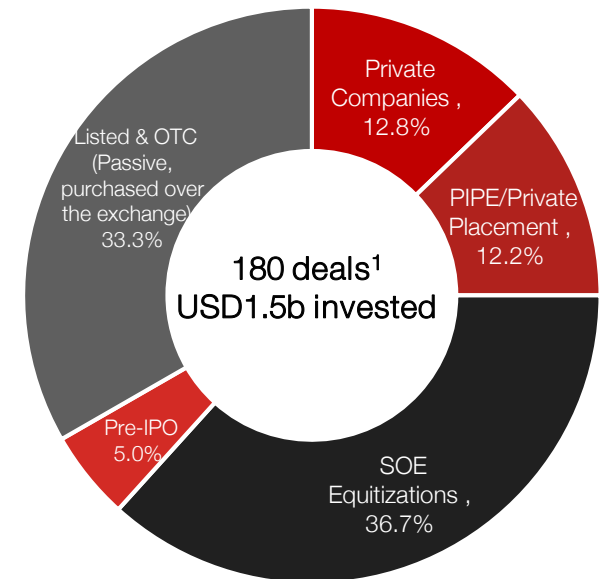
- We focus on opportunities not **normally available to general market** participants, such as PE deals.
- We typically seek super minority positions where we can **get performance commitments and drag along rights**.
- The portfolio today reflects of our strong track record **investing in PE, pre-IPO and privatisations** opportunities.

### Diversified investments in portfolio

- Private equity
- Public equity
- Unlisted securities
- Real estate

### Focus and sourcing

- Privately negotiated
- SOE privatisations
- Pre-IPO
- PIPEs



## Six month NAV and share price performance

Net Asset Value ("NAV") per share return<sup>1</sup>

NAV USD1.1bn , NAV/share USD5.58

**+18.0%**

Share price return

USD3.32 / GBP4.49

**+17.4%** (USD terms)

**+12.7%** (GBP terms)

VOF Capital Markets Portfolio Return<sup>2</sup>

**+27.4%**

Vietnam Index return

984 points 31 Dec 2017

**+26.8%** (USD terms)

*Performance result for the period from 1 July 2017 to 31 December 2017 in USD terms unless otherwise stated.*

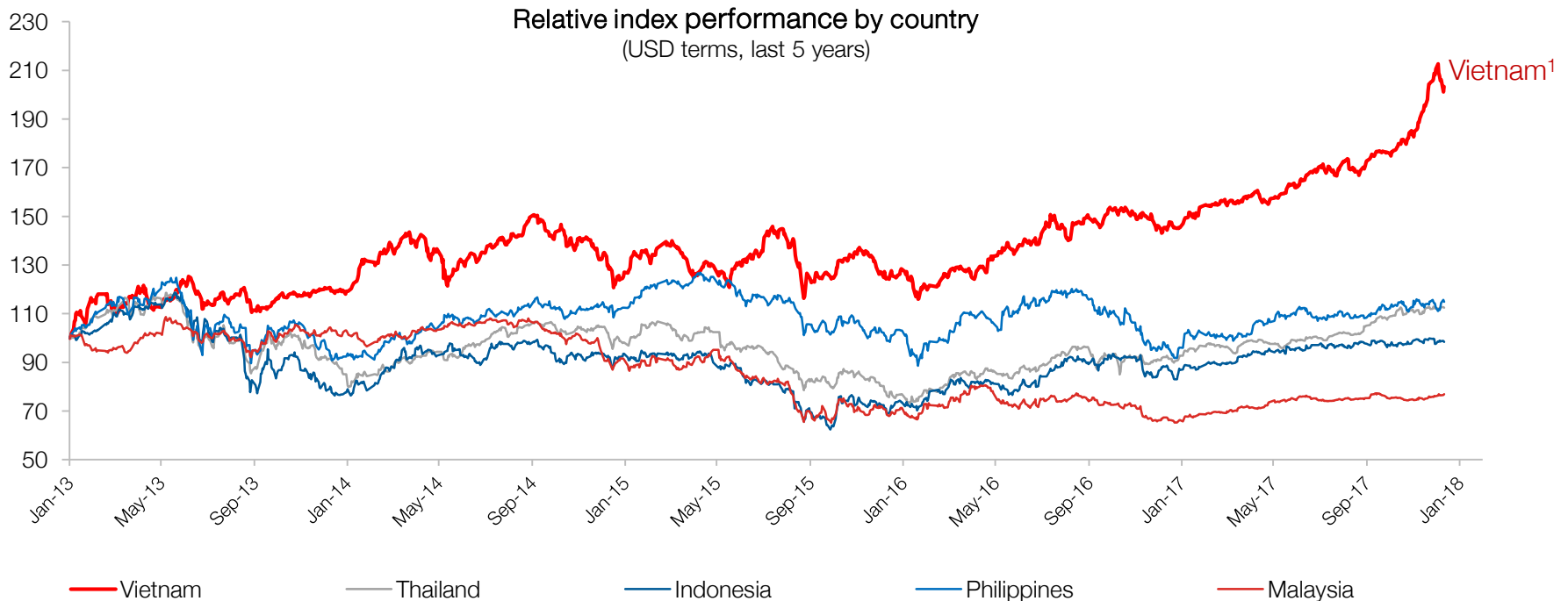
*1. Total NAV return is the change in NAV (Net Asset Value) over the period from 1 July 2017 to 31 December 2017.*

*2. The Capital Markets portfolio (CAPM) incorporates listed and unlisted securities. Unlisted securities include companies that have not yet commenced publicly trading on any of Vietnam's major bourses.*

Classified: Public

# Strong market performance

Vietnam's stock market is outperforming ASEAN peers...



Valuations are justified by solid earnings growth

- Higher earnings growth than most regional peers:
  - 25% EPS growth in 2017 in comparison with an average of 11% EPS growth of Thailand, Indonesia, Philippines, and Malaysia.
  - Expected EPS growth at 15-18% p.a in 2018-2019

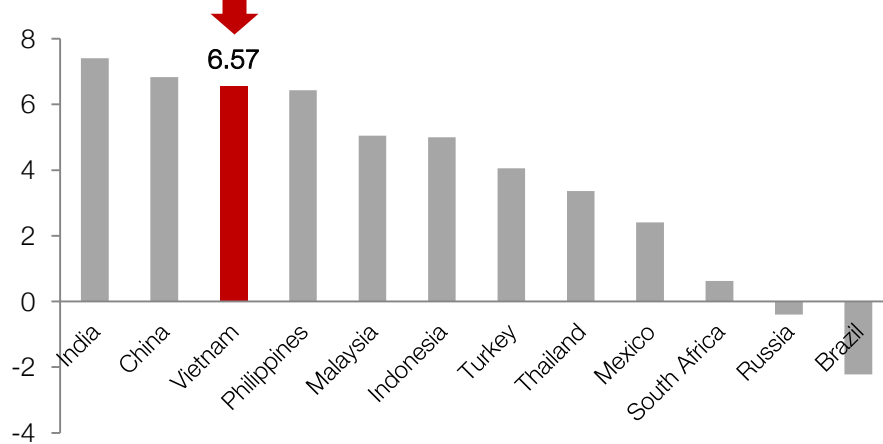
1. Ho Chi Minh City Stock Exchange

Sources: General Statistics Office, Bloomberg, VinaCapital research & analysis, data as of 31 January 2018

# Vietnam economic snapshot

GDP growth is among the highest in EMs

3 year average GDP growth (%) <sup>1</sup>

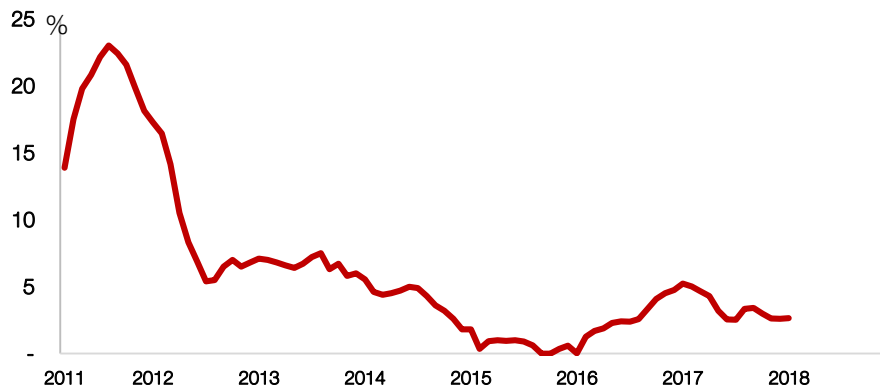


GDP growth: 6.8% in 2017, 6.6-6.8% in 2018

Drivers	(%/GDP)	2017 Growth
Consumption	64%	9%
Exports	97%	21%
Manufacturing	15%	14%

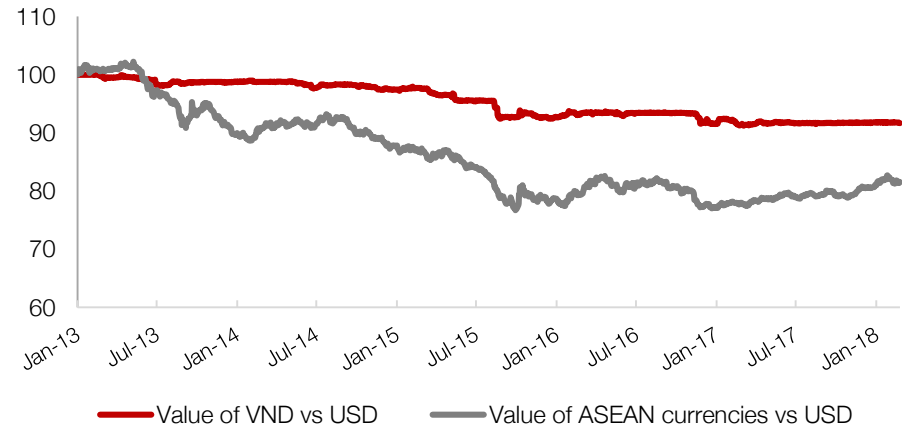
CPI is low and controlled

YoY CPI

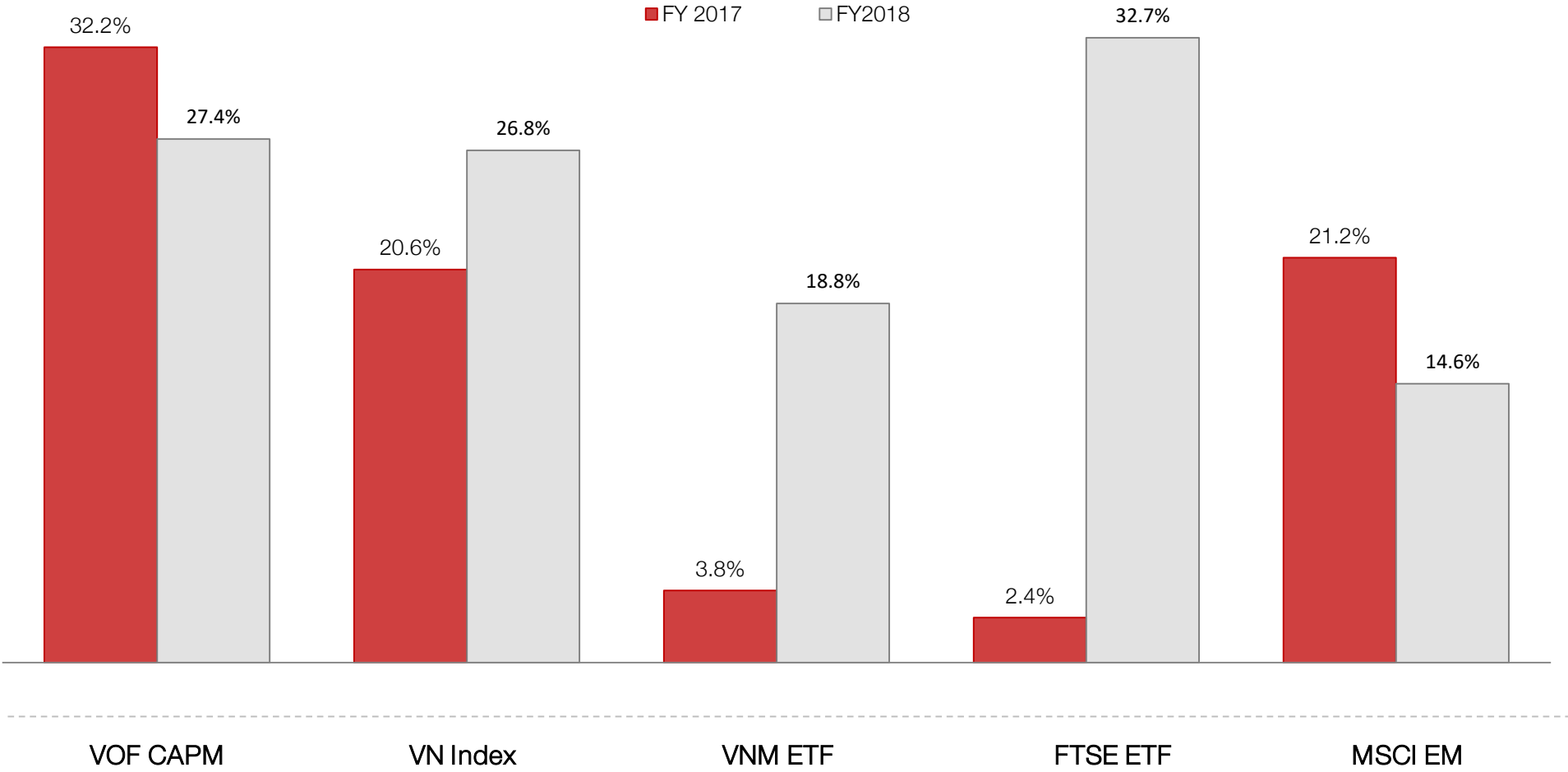


Stable currency

Vietnam's currency is more stable than other ASEAN currencies



# VOF CAPM performance versus benchmarks



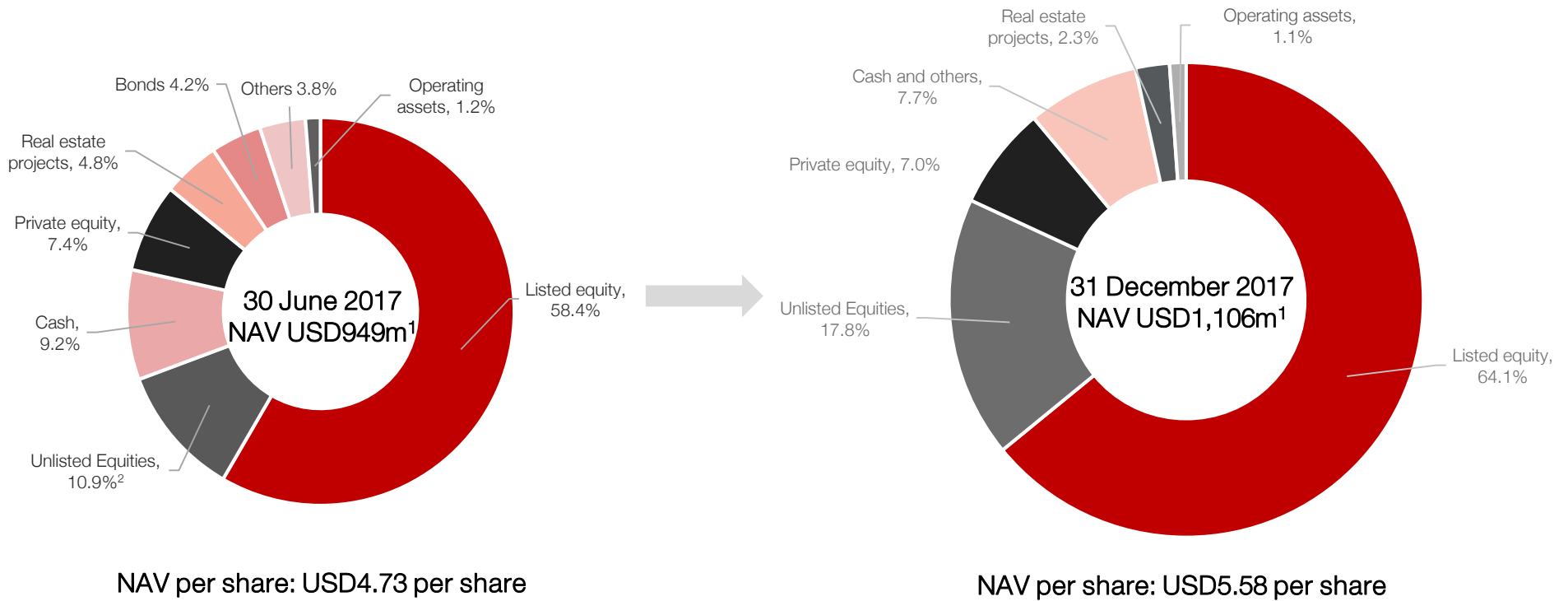
Source: Numis Securities Country Funds Parity report and Bloomberg as of 31 December 2017. Fiscal year to date performance from 1 July 2017 to 31 December 2017 based on NAV per share in USD terms.

# Capital Markets – Top 10 holdings performance

## VOF's top 10 capital markets holdings (six month performance)

Investee company	Entry method	Sector	% of NAV (31 Dec 2017)	FY2018 YTD return
Hoa Phat Group (HPG)	PE	Construction materials	13.3	46.6%
Vinamilk (VNM)	SOE	Food & beverage	10.8	28.7%
Airports Corporation of Vietnam (ACV)	SOE	Infrastructure	8.9	112.4%
Khang Dien House (KDH)	PE	Real estate & construction	6.3	16.2%
Phu Nhuan Jewelry (PNJ)	PE	Consumer discretionary	6.0	36.6%
Vietjet Air (VJC)	PE	Industrials	4.6	87.8%
Quang Ngai Sugar (QNS)	PE	Food & beverage	3.2	-33.0%
Eximbank (EIB)	PE	Financial services	3.1	-1.8%
Coteccons (CTD)	PIPE	Real estate & construction	3.0	7.4%
PetroVietnam Tech. Services (PVS)	PIPE	Mining, oil & gas	2.6	41.0%
<b>TOTAL</b>			<b>61.8</b>	
<b>VN Index</b>				<b>26.8%</b>

# Portfolio Summary by Asset Class



1. NAV as of 31 December 2017 compared to 30 June 2017.  
 2. Unlisted equities includes over-the-counter (OTC) traded securities, and unlisted equities that are traded on the UPCoM (Unlisted Public Company Market) of the Hanoi Stock Exchange.



# Significant transactions – during the interim period

1 July 2017 – 31 December 2017

- Divestments - Reduce overweight positions:

Vinamilk (VNM)

USD54.6m

Novaland (NVL)

USD21.8m

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**USD76.4m divested**

- Investments – Increase positions in PE and pre-IPO:

- PIPE: Tasco (HUT)

USD12.6m

- Pre-IPO/PE: FPT Retail

USD10.7m

Orient Commercial Bank (OCB)

USD11.4m

HCM Development Bank (HDB)<sup>1</sup>

USD21.5m

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**USD56.2m invested**

Value at 23 March 2018:

**USD83.7m<sup>2</sup>**

1. Ho Chi Minh Development Bank (HDB) was listed on the Ho Chi Minh Stock Exchange (Hose) on 5 January 2018.

2. Marked to market value as of 23 March 2018.



## VOF financial information

Dividends			
	Dividend per share (USD cents)	Record date	Pay date
First interim dividend	4.8	25 August 2017	27 September 2017
Full year dividend	4.8	3 November 2017	1 December 2017
Interim dividend	5.5	6 April 2018	27 April 2018

Profit and loss	Six months ended	
	31 Dec 2016	31 Dec 2017
Profit for the period	USD85.5m	USD185.1m
Basic earnings per share	USD0.93 per share	USD0.41 per share

Buyback programme	31 Dec 2017	
	Number of shares	
Buyback during the period <sup>1</sup>	8.0m	USD27.4m
Total buyback up to 31 December 2017 (since programme started)	126.4m <sup>2</sup>	USD278.4m
Average discount of shares bought back <sup>1</sup>		20.1%

1. For the period from 1 July 2017 to 31 December 2017.

2. Number of outstanding shares in issue at 31 December 2017: 198,213,258.

# Contact information

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