

### Performance summary 31 October 2021

|                          | USD     | GBP     |
|--------------------------|---------|---------|
| NAV per share:           | 8.62    | 6.30    |
| Change (Month-on-month): | 6.9%    | 5.2%    |
| Total NAV (million):     | 1,431.7 | 1,047.1 |
| Share price:             | 7.04    | 5.15    |
| Market cap (million):    | 1,169.6 | 855.4   |
| Premium/(discount):      | -18.3%  | -18.3%  |

GBP/USD exchange rate as 31 October 2021: 1.3673  
 GBP/USD exchange rate as 30 September 2021: 1.3461  
 Source: Bloomberg

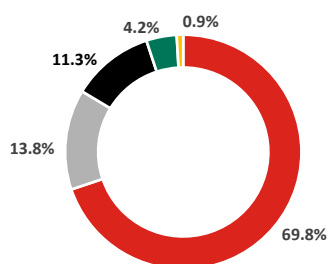
### Cumulative change (% change, USD, total returns)\*

|                      | 1mth | 3mths | FYTD | CYTD | 1yr  | 3yr  |
|----------------------|------|-------|------|------|------|------|
| NAV per share        | 6.9  | 11.4  | 6.8  | 38.2 | 59.1 | 72.6 |
| Share price          | 14.5 | 10.6  | 6.0  | 22.6 | 68.1 | 77.9 |
| VN Index             | 7.7  | 11.5  | 4.2  | 34.1 | 61.2 | 70.3 |
| MSCI Emerging market | 1.0  | -0.4  | -7.1 | -0.1 | 17.3 | 43.0 |
| MSCI Vietnam         | 6.1  | 8.5   | 1.5  | 24.2 | 40.7 | 49.6 |

\* Inclusive of dividend distributions; FYTD data is from July 1 to date; CYTD data is from January 1 to date

### Portfolio by asset class\*\*

- Listed Equity (69.8%)
- Unlisted Equity (13.8%)
- Private Equity (11.3%)
- Bond (4.2%)
- Operating Asset (0.9%)



### Portfolio allocation by sector\*\*

|                        |       |
|------------------------|-------|
| Real Estate            | 25.2% |
| Materials              | 25.1% |
| Financials             | 19.0% |
| Industrials            | 8.0%  |
| Consumer Staples       | 6.5%  |
| Health Care            | 4.7%  |
| Consumer Discretionary | 4.7%  |
| Information Technology | 4.3%  |
| Energy                 | 2.5%  |
| Utilities              | 0.0%  |

\*\* Excluding Cash & Others (0.9% of NAV); based on Global Industry Classification Standards (GICS)

### Top ten holdings\*\*\*

| Investee company                      | % of NAV     | Sector                 |
|---------------------------------------|--------------|------------------------|
| Hoa Phat Group (HPG)                  | 17.8%        | Materials              |
| Khang Dien House (KDH)                | 11.8%        | Real Estate            |
| Airports Corporation of Vietnam (ACV) | 5.9%         | Industrials            |
| Vinhomes (VHM)                        | 5.8%         | Real Estate            |
| Asia Commercial Bank (ACB)            | 5.6%         | Financials             |
| Orient Commercial Bank (OCB)          | 5.1%         | Financials             |
| FPT Corporation (FPT)                 | 4.3%         | Information Technology |
| Eximbank (EIB)                        | 4.2%         | Financials             |
| Quang Ngai Sugar (QNS)                | 3.7%         | Consumer Staples       |
| An Cuong Wood Working (ACG)           | 3.7%         | Materials              |
| <b>Total</b>                          | <b>67.9%</b> |                        |

\*\*\* Public Equities

**“Life can only be understood looking backwards; but it must be lived looking forwards.”**  
 - Soren Kierkegaard

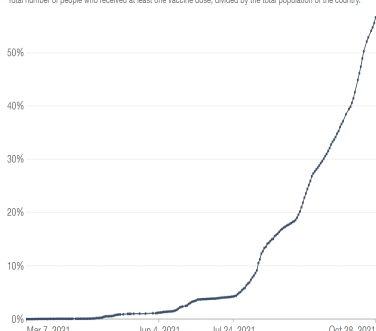
The Vietnam Index (VN Index) reached a new high in October to close at 1,444 points, increasing 7.7% month on month (m-o-m), and up 34.1% for the calendar year-to-date in USD total return terms (\$TR). Vietnam is the best performing market in the region so far this year, outpacing Malaysia (-3.2% YTD), the Philippines (-4.5% YTD), Thailand (3.4% YTD), Indonesia (10.8% YTD), and Singapore (13.2% YTD). Valuations remain very attractive, with a forward 2022E P/E multiple of 13.5x-14.0x, which is in line with the five-year and ten-year historical mean, and well below most comparable ASEAN peers despite a highly positive growth outlook.

Market liquidity remained high throughout the month, with average daily turnover value (ADTV) of USD1.2 billion per day (+3% m-o-m), surging to USD1.5 billion during the last few trading days of the month. In fact, for several months now the ADTV of Vietnam has now exceeded that of the Philippines, Indonesia, Malaysia, and Singapore markets. Local investors remained the dominant force in the market, representing 93% (of which 86% is retail) of market turnover, with foreign investors making up the remaining 7%. The recent easing of lockdown measures has not abated local investors' appetites for participating in the stock market.

October welcomed the easing of COVID restrictions across the country, particularly in Ho Chi Minh City, which suffered some of the harshest lockdown measures. The rapid reopening of the domestic economy was possible due the significant decline in reported COVID cases, as well as the rapid rollout of vaccinations across the country, particularly in Hanoi in the north and Ho Chi Minh City in the south, both areas with high concentrations of population, manufacturing, and economic activity. This return of confidence was reinforced in the Vietnam's Government Statistics Office (GSO) reporting October retail sales surging 18% m-o-m to USD16 billion, an impressive recovery and points to improving consumer confidence.

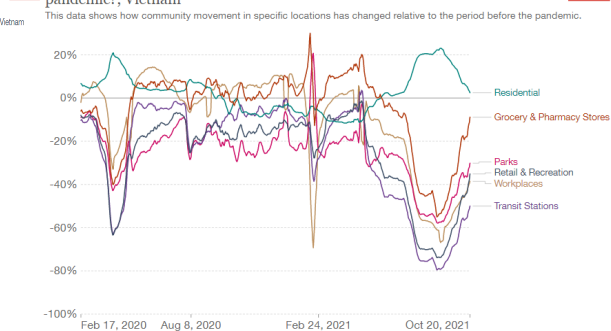
Across Vietnam, over 65% of the eligible population are vaccinated with at least one dose, and over 35% are fully vaccinated. Within Ho Chi Minh City, 100% of the eligible population are vaccinated with at least one dose, and over 90% are fully vaccinated. Furthermore, in November the government began to vaccinate children between the ages of 12 to 17 years. There is very little vaccination hesitancy in Vietnam as people are keen to see a resumption of economic and social activity.

Share of people who received at least one dose of COVID-19 vaccine  
 Total number of people who received at least one vaccine dose, divided by the total population of the country.



Source: Our World In Data, 28 October 2021

How did the number of visitors change since the beginning of the pandemic?, Vietnam



There are some early indications that Vietnam will start welcoming fully vaccinated tourists in the short term, trialling a “sandbox” concept for areas such as Phu Quoc and Danang, as well as potentially easing some of the more onerous quarantine requirements. At time of writing, a small group of Korean tourists arrived in Danang, the first tourist arrivals in nearly two years. Recall that pre-COVID tourism was a significant contributor to GDP, directly circa 8% and indirectly up to 15%. The resumption of tourism activity will have a significant impact on GDP growth next year, which is forecast to return to pre-COVID levels of 6.5% to 7% growth, and this forecast does not yet include the addition of tourism, which could be a significant input. The Civil Aviation Authority of Vietnam recently proposed expanding international flights from 15 countries: China, Hong Kong, Taiwan, Japan, Korea, Thailand, Singapore, Malaysia, Laos, Cambodia, France, Germany, Russia, the United Kingdom, and Australia.

Fiscal support has been anaemic over the course of the pandemic, equivalent to 1.5% of GDP. However, in early November, the government unveiled a new significant stimulus package worth USD35 billion (equivalent to 10% of GDP) to provide long-term support for the economy as it plots a path to recovery. The plan will be introduced from 2022, with USD22 billion to be disbursed over 2022-2023. The package will be sourced from the State budget, bond issuance, and loans from international organisations, with savings and adjusted spending playing key roles in the funding for this package. Importantly, the package will be directed towards public investment, including infrastructure, with some headline items for spending on transportation, digital, healthcare, and climate change-related infrastructure. It is also expected to welcome more private and foreign investments, with potential opportunities in public and private partnerships (PPP).

The fund's NAV increased 6.9% in total return terms, with the real estate sector contributing most to overall performance, and specifically Khang Dien House (HOSE: KDH, 11.8% NAV), which saw an increase of 22.7%. The lifting of lockdowns and the prospect of a return to something approaching economic normality boosted real estate companies overall as project sales resume. Developers with high exposure to Ho Chi Minh City and its surrounding districts are benefiting from strong pent-up demand, a more supportive regulatory environment, and transformational infrastructure projects such as the new international airport in Long Thanh.

Off the back of strong results announced at the end of October, VOF's share price has increased 14.5% over the month, while the discount has contracted from 23.7% in September to 18.3% this month. The Investment Manager continues to hold in-person and virtual meetings across the United Kingdom, the United States, and Europe over November and early December. If you are interested in one-on-one meetings, please do not hesitate to reach out to us at [ir@vinacapital.com](mailto:ir@vinacapital.com).

### Macroeconomic Commentary

Vietnam's GDP growth for 9M21 was 1.4% y-o-y, a fall from the 2.1% growth recorded in 9M20, the result of the COVID lockdowns in effect in Ho Chi Minh City and the entire southern region of the country during Q3. The economy contracted by 6.2% in Q3 2021, after posting growth of 6.6% in Q2 and 4.7% in Q1.

The easing of COVID restrictions drove a surge of personal mobility and economic activity. The Google Workplace Mobility Index for Vietnam was around -50% (versus pre-COVID levels) at the end of September but by the end of October, we estimate that mobility recovered back to the same level as in early-July.

Consequently, retail sales surged by 18% m-o-m in October, manufacturing output rose by 6.7% m-o-m, and Vietnam's PMI leapt from 40.2 in September to 52.1 in October, despite a temporary labor shortage caused by factory workers in the greater HCMC area returning to their hometowns after lockdown measures were lifted. Some of those workers have already returned to their jobs, and we expect factories in Vietnam to resume operating at full capacity within the next three months.

Vietnam's manufacturing industry supported the country's economy throughout the pandemic due to the continued strong demand for made-in-Vietnam products, particularly from US consumers. Manufacturing output growth actually improved slightly from 4.2% y-o-y growth in 10M20 to 4.4% in 10M21, despite lockdown restrictions. Vietnam's exports to the US surged 22% y-o-y in 10M21, which in-turn drove 16.6% growth in Vietnam's total exports to USD267.9 billion during that period.

Nearly 30% of Vietnam's exports are sold in the US, making it Vietnam's largest export market. Vietnam's trade surplus with the US swelled by nearly 25% this year, from USD51 billion in 10M20 to USD64 billion in 10M21. However, Vietnam's overall trade surplus in 10M21 was only USD100 million, due to the aggressive importation of production inputs by FDI firms earlier in the year.

Specifically, Vietnam's total imports surged 28.3% y-o-y to USD269.7 billion as FDI firms had expected to significantly ramp-up production of a wide range of products that were slated to be sold to consumers in developed economies. Those plans were derailed by the outbreak, which helps explain why exports have not kept pace with imports this year. We expect Vietnam's trade surplus to increase by the end of the year and note that Vietnam's exports increased 1% m-o-m in October while imports fell 2% m-o-m, resulting in Vietnam running a USD1.1 billion trade surplus for the month, a pattern that we expect to continue in the months ahead.

In addition to production disruptions, another consequence of the outbreak was the inability of foreign executives to easily travel to Vietnam to consummate previously planned FDI investments. Consequently, FDI disbursements fell 4.1% y-o-y in 10M21 to USD15.2 billion, although planned FDI investments (including new projects and expansion of existing projects) were up 15.8% y-o-y to USD20.1 billion.

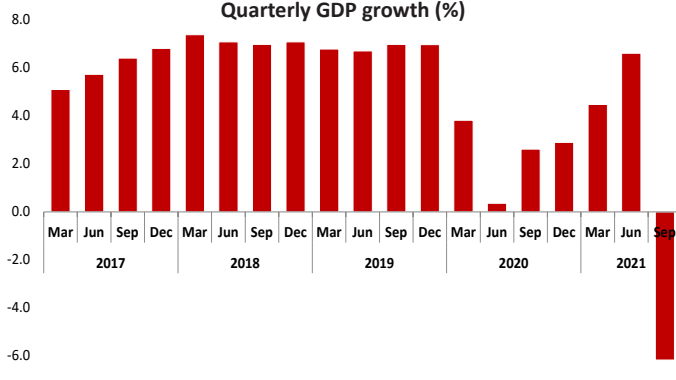
Finally, inflation remained subdued in Vietnam despite the on-going global increase in energy prices. Specifically, CPI inflation fell from 2.1% y-o-y in September to 1.8% in October because a 7% m-o-m increase in retail petrol prices during the month was offset by a 9% m-o-m drop in pork prices (the weightings of pork and petrol in Vietnam's CPI are both around 3-4%).

### Macroeconomic indicators

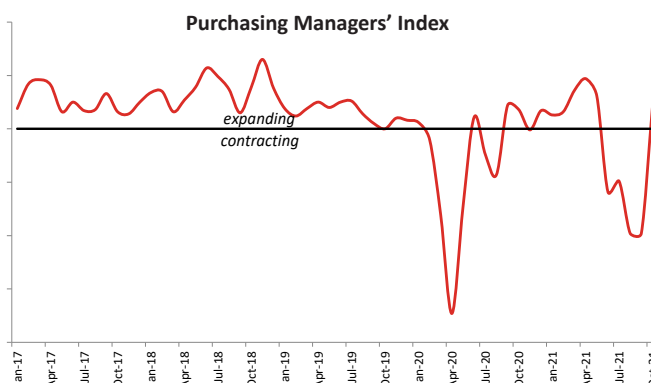
|                                      | 2020   | Oct-21 | YTD   | YOY <sup>1</sup> |
|--------------------------------------|--------|--------|-------|------------------|
| GDP growth (%)                       | 2.9    |        |       | 1.4              |
| Inflation <sup>2</sup> (%)           | 3.2    | 1.8    | 1.8   |                  |
| FDI commitments (USDbn)              | 21.0   | 1.2    | 20.1  | 15.8%            |
| FDI disbursements (USDbn)            | 20.0   | 1.9    | 15.2  | -4.1%            |
| Imports (USDbn)                      | 262.4  | 26.1   | 269.7 | 28.3%            |
| Exports (USDbn)                      | 281.5  | 28.9   | 269.8 | 17.4%            |
| Trade surplus/(deficit) (USDbn)      | 19.1   | 2.8    | 0.1   |                  |
| Exchange rate (USD/VND) <sup>3</sup> | 23,131 | 22,750 |       |                  |

Sources: GSO, Vietnam Customs, MPI, Bloomberg | 1. GDP is annualised rate, updated quarterly; FDI and trade data is YTD y-o-y | 2. Monthly y-o-y change; Annual is 12-month average change in CPI per GSO | 3. BBG-State Bank of Vietnam Avg. USD/VND Interbank rate

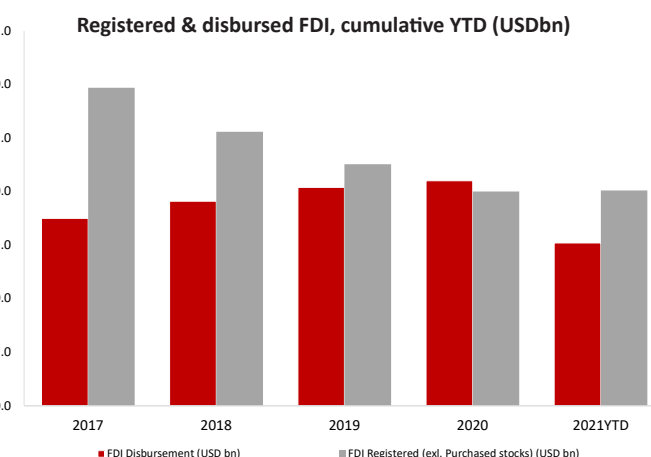
### Quarterly GDP growth (%)



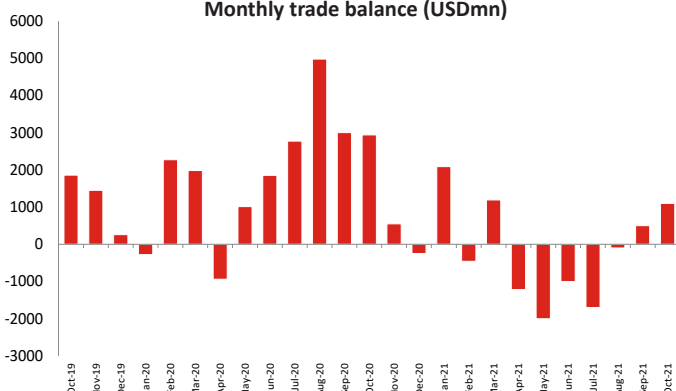
### Purchasing Managers' Index



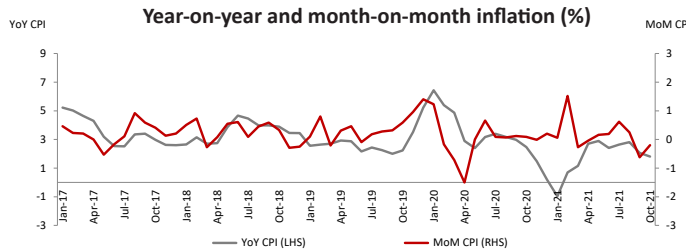
### Registered & disbursed FDI, cumulative YTD (USDbn)



### Monthly trade balance (USDmn)



### Year-on-year and month-on-month inflation (%)



Source: GSO, Vietnam Customs, Bloomberg

| Board of Directors  |                        | VinaCapital Investment Management Ltd |                               |
|---|------------------------|---------------------------------------|-------------------------------|
| VOF's Board of Directors is composed entirely of independent non-executive directors. |                        |                                       |                               |
| Member  | Role                   | Member                                | Role                          |
| Steve Bates   | Non-executive Chairman | Don Lam                               | Group CEO                     |
| Thuy Dam  | Non-executive Director | Brook Taylor                          | Group COO                     |
| Huw Evans   | Non-executive Director | Andy Ho                               | Group CIO & Managing Director |
| Julian Healy  | Non-executive Director | Khanh Vu                              | Deputy Managing Director      |
| Kathryn Matthews  | Non-executive Director | Dieu Phuong Nguyen                    | Deputy Managing Director      |
| Peter Hames   | Non-executive Director |                                       |                               |

| Fund information |                      |
|------------------|----------------------|
| LEI              | 2138007UD8FBBVAX9469 |
| ISIN             | GG00BYXVT888         |
| Bloomberg        | VOF LN               |
| Reuters          | VOFL                 |

| Fund summary                      |   |
|-----------------------------------|---|
| Fund launch                       | 30 September 2003   |
| Term of fund                      | Five years subject to shareholder vote for liquidation (next vote to be held by December 2023)  |
| Fund domicile                     | Guernsey  |
| Legal form                        | Exempted company limited by shares  |
| Investment manager                | VinaCapital Investment Management Ltd, with sub-delegation to VinaCapital Fund Management JSC an entity regulated by the State Securities Commission of Vietnam   |
| Structure                         | Single class of ordinary shares trading on the Main Market of the London Stock Exchange plc   |
| Auditor                           | PricewaterhouseCoopers (Guernsey)   |
| Custodian                         | Standard Chartered Bank Vietnam   |
| Custodian and Administrator       | Aztec Financial Services (Guernsey) Limited   |
| Registrar and Transfer Agency     | Computershare Investor Services   |
| Brokers                           | Numis Securities (Bloomberg: NUMIS)   |
| Management and incentive fee      | Commencing July 1, 2018: a tiered management fee structure has been introduced, with the following annual rates applied to net assets: <ul style="list-style-type: none"> <li>- 1.50% of net assets, levied on the first USD500 million of net assets</li> <li>- 1.25% of net assets, levied on net assets between USD500 million and USD1,000 million</li> <li>- 1.00% of net assets, levied on net assets between USD1,000 million and USD1,500 million</li> <li>- 0.75% of net assets, levied on net assets between USD1,500 million and USD2,000 million</li> <li>- 0.50% of net assets, levied on net assets above USD2,000 million</li> </ul> The incentive fee is 12.5% of any increase in NAV above an 8% per annum hurdle rate, with the cap on incentive fees paid out in any year at 1.5% of weighted average of month-end net assets. Excess fees are still carried forward, but can be clawed back if NAV declines after the year end. The Investment manager must use 25% of any incentive fee paid to buy VOF shares via open market purchases, subject to a minimum holding period. |
| Investment objective              | Medium to long-term returns through investments either in Vietnam or in companies with a substantial majority of their assets, operations, revenues or income in, or derived from, Vietnam  |
| Investment objective by geography | Investments will be in Vietnam or in companies with at least 75 per cent of their assets, operations, revenues or income in, or derived from, Vietnam at the time of investment   |

© 2021 VinaCapital Group. All rights reserved.



#### Important Information

This document, and the material contained therein, is not intended as an offer or solicitation for the subscription, purchase or sale of securities in VinaCapital Vietnam Opportunity Fund Limited (the "Company"). Any investment in any of the Companies must be based solely on the Admission Document of that Company or other offering document issued from time to time by that Company, in accordance with applicable laws.

The material in this document is not intended to provide, and should not be relied on for accounting, legal or tax advice or investment recommendations. Potential investors are advised to independently review and/or obtain independent professional advice and draw their own conclusions regarding the economic benefit and risks of investment in either of the Companies and legal, regulatory, credit, tax and accounting aspects in relation to their particular circumstances.

The securities of the Companies have not been and will not be registered under any securities laws of the United States of America nor any of its territories or possessions or areas subject to its jurisdiction and, absent an exemption, may not be offered for sale or sold to nationals or residents thereof.

No undertaking, representation, warranty or other assurance, express or implied, is given by or on behalf of either of the Companies or VinaCapital Investment Management Ltd or any of their respective directors, officers, partners, employees, agents or advisers or any other person as to the accuracy or completeness of the information or opinions contained in this document and no responsibility or liability is accepted by any of them for any such information or opinions or for any errors, omissions, misstatements, negligence or otherwise.

No warranty is given, in whole or in part, regarding the performance of either of the Companies. There is no guarantee that investment objectives of any of the three Companies will be achieved. Potential investors should be aware that past performance may not necessarily be repeated in the future. The price of shares and the income from them may fluctuate upwards or downwards and cannot be guaranteed.

This document is intended for the use of the addressee and recipient only and should not be relied upon by any persons and may not be reproduced, redistributed, passed on or published, in whole or in part, for any purposes, without the prior written consent of VinaCapital Fund Management Ltd.

Investor Relations/Communications  
ir@vinacapital.com  
+84 28 3821 9930  
www.vinacapital.com

Broker  
Numis Securities  
+44 (0)20 7260 1000  
funds@numis.com