



VietNam Holding Ltd (VNH) is a closed-end fund listed on the London Stock Exchange. VNH aims to achieve long-term capital appreciation by investing in high-growth companies in Vietnam. It has an actively managed, high conviction portfolio with integrated ESG. Core investment themes are industrialisation, domestic consumption, and urbanization.

Fund overview

Share price	165.0 pence
NAV	221.6 pence \$2.959
Discount / Premium	-25.5%
Total Net Assets	\$127.0m
Shares in Issue	43m
Portfolio managers	Vu Quang Thinh Craig Martin
Investment Manager	Dynam Capital
Ticker	VNH
Website	www.vietnamholding.com

Portfolio

Number of investments	25	
Median Portfolio Market Cap	\$1,142 m	
Foreign Ownership Limit stocks*	44%	
Thematic exposure		
Industrialisation	39%	
Domestic Consumption	16%	
Urbanisation	15%	
	2020F	2021F
EPS Growth	11.5%	19.7%
P/E Ratio	11.2	9.4

* Percentage of portfolio in stocks at their Foreign Ownership Limits

Performance

USD (%)	1 month	Year-to-date	5 year (CAGR)	10 year (CAGR)
Vietnam Holding NAV	11.1	6.7	6.2	8.6
Vietnam All Share Index (VNAS)	8.5	9.8	9.8	5.9

Source: Bloomberg, Dynam Capital Ltd. Data for VNAS Total Return (including dividends) is available after 24 July 2015. For consistency, figures reflect the respective simple index and not total return. Total return adds 2-3% to annual index performance reflecting the index dividend yield.

Manager Commentary – Great Expectations

It is hard to imagine a country coming out of the chaos of Covid-19 shining. Nevertheless, Vietnam is making headlines once again for containing the virus and achieving exceptional export growth, while much of the Western world endures a worsening second wave and further economic pains. Consumption and manufacturing in Vietnam has gained momentum month after month since May. Exports increased +8.8% and imports jumped +13.4 year-on-year respectively in November despite setbacks for many manufacturers due to the extreme storms and flooding. Key drivers of the strong export growth are phones and parts, but demand has picked up in all markets over the past month with textiles and seafood exports to the EU increasing, for example. Retail sales also made a significant come back in November increasing by 8.5%.

The Fund is up +28.2% fiscal year-to-date outperforming the VNAS, which is up +24.4%. The Fund has benefited from our increased weighting in banks, balanced allocation in industrials and some profit taking from telecoms. Vietin Bank (CTG), currently the country's third largest bank by assets with market share of 11.4% in loans and 10.2% in deposits, is new to our portfolio this year and trading at a compelling valuation with a 2021 price to earnings ratio of 11.4x and price-to-book ratio of 1.3x. Another contributor is VPB, one of the most profitable lenders in Vietnam with an ROE average of 24% in the past five years. It has a 55% market share of the consumer lending business in Vietnam and a clear focus on the unbanked population which is estimated at around 65% of adults in the country. It also was one of the first banks in Vietnam to apply Basel II, the Bank for International Settlements' (BIS) international capital adequacy standards.

Our overweight in HPG, the leader in Vietnam's construction steel and steel pipe industry, has been a significant contributor to the Fund this year. HPG reported amazing business results with net revenue and earnings up +40.8% YoY and 56.4% YoY respectively for the first nine months of 2020. Its products can compete fairly with regional peers, including China, thanks to its fully integrated value chain and effective cost control at its Dung Quat Steel Integrated Complex. It is forecasted to maintain double-digit growth in 2021-2022 based on its market position and competitive unit cost. Our overweight in PNJ, the well-known jewellery producer and retailer in Vietnam, has also paid off this year and we expect that to continue in 2021. The jewellery market in Vietnam is forecast to grow two digits having benefited from the fast-growing middle-affluent class and changing consumer preference from traditional savings to modern fashion. PNJ is a well-respected brand and its management is aiming to be a top regional player.

Although the global risks due to Covid-19 still linger (despite the positive news on vaccines), we could not be more positive about Vietnam moving into 2021. The country has stood out for its handling of the crisis and strong macro conditions are paving a good foundation for future growth. Vietnam is now the largest member in the MCSI FM Indices, given Kuwait's upgrading, and this could attract around USD 400 million net flow within a year. We also expect 20% EPS growth YoY in 2021 for the portfolio. In addition, we are already seeing accelerated public investment as many projects suspended in 2020 due to the pandemic are set to resume next year. We anticipate strong money inflows to come from foreign direct investment as well in this respect, and look to the Regional Comprehensive Economic Partnership (RCEP) to further boost exports to major markets in Asia, including South Korea, Japan and China. *We wish you all a safe Christmas and a prosperous New Year.*

Manager – Dynam Capital | + 84 28 38277 590 | info@dynamcapital.com | www.dynamcapital.com

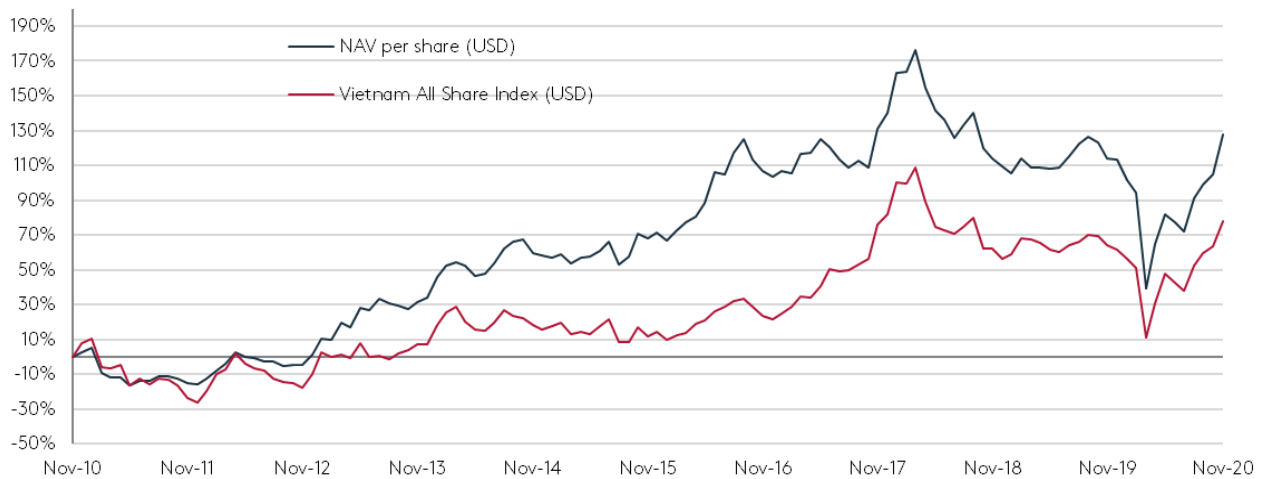
Market Maker – finnCap | + 44 207 220 0558 | JHewitson@finncap.com



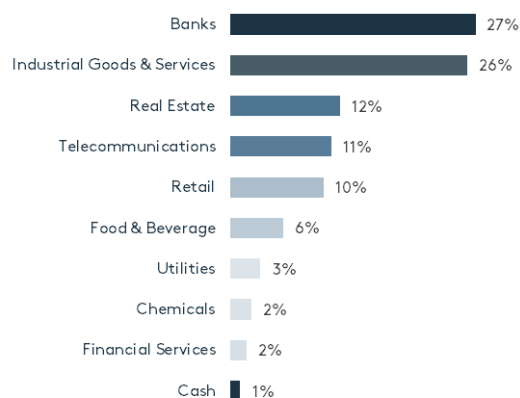
Top Ten Investments	NAV %	% +/-	Manager Comment
FPT Corporation	11.0	+7.8%	Robust growth of 25% YoY in new Global IT Services purchase orders; 2021 PE 11.8x
Hoa Phat Group	9.6	+16.5%	Sales volumes doubled to 5.2MT in 11M, sales of rebar over 3MT (+23.7% YoY); 2021 PE 9.4x
Vietin Bank	7.8	+15.8%	Expected to conclude a profitable bancassurance partnership; 2021 PB 1.3x
Gemadept Corp	6.0	+18.8%	Core PBT declined by 24.7% in 9M2020 due to the negative impact of COVID-19; PE 15.9x
Phu Nhuan Jewelry	5.5	+12.3%	Strong October earnings growth of 35% YoY mainly driven by retail gold jewellery; PE 16.7x
Khang Dien House	5.2	+7.2%	On-going projects set to secure double-digit earnings growth in 2021; 2021 PE 12.6x, PB 2.0x
Vinhomes	5.0	+8.9%	Solid 2020 earnings growth underpinned by recognition of block sales in Q4; 2021 PE 8.8x
ABA Cooltrans	4.7	0.0%	10M2020's EBITDA grew by 2.6% YoY and fulfilled 61% of the full-year EBITDA target
Mobile World	4.6	+11.0%	Net profit grew by 1% in 10M2020, expect higher earnings growth for 2021; 2021 PE 9.3x
Military Bank	4.6	+14.6%	Strong credit growth momentum to continue; margins are expanding; 2021 PB 1.0x

Total **64.0**

NAV Performance



Sector Weights



Fund Information

Structure	Closed-end fund
Listed	London Stock Exchange
Ticker	VNH
ISIN	GG00BJQZ9H10
BIC Code	SCBLSGSG
Launch	30 June 2006
NAV Frequency	Daily
Life	Continuation vote in 2023
Management Fee (w.e.f 1 st Nov 2020)	1.75% on NAV below \$300m 1.50% on NAV \$300-600m 1.00% on NAV above \$600m
Administrator	Sanne Group (Guernsey)
Custodian	Standard Chartered Bank

Disclaimer

This factsheet is prepared on behalf of Vietnam Holding Ltd. (the "Fund") by Dynam Capital Limited, and is solely communicated to, and directed only at persons who are investment professionals, high net worth companies or others who are entitled to be given the factsheet under the law of the jurisdiction in which it is given. Persons receiving this factsheet should note that past performance is no guide to the future and, in particular, that the past returns of the Vietnamese stock market, or of companies listed on it, are no guarantee of the future returns of Vietnam Holding. This factsheet and the information contained herein must not be acted on or relied on for any purpose whatsoever. This factsheet is strictly confidential and may not be copied or distributed or passed on by recipient. No understanding representation or warranty or other assurance, express or implied, is made or given by any person to the accuracy, fairness or completeness of the information or opinions contained in this factsheet and no responsibility or liability is accepted for any such information or opinions. It is the responsibility of every person reading this document to satisfy themselves as to the full observance of the laws of any relevant country, including obtaining any government or other consent which may be required or observing any other formality which needs to be observed in that country.