



Vietnam: Powering ahead into 2021

30 October 2020

The webinar will start shortly...



NAV c. £105m
£77m
Market cap

Closed-end fund
listed on LSE
Main Market

Partner owned
Manager with
locally based team

+9.3%* p.a. over 10 years
*Vietnam All Share +6.6%** p.a.*

Nimble stock selection, actively managed, high-conviction portfolio with integrated ESG

24 holdings
Largest holding **11.6%**
Zero gearing

46% of NAV FOL***
stocks

Thematic exposures:
39% Industrialization
15% Consumer
21% Urbanization

60% Active Share
32% mid & small cap
68% large cap
VN All Share split (19%/81%)

Vietnam

Country Profile



Population



97mn
Population
15th in the world



30.5 years
Median age
Youngest in ASEAN



85%
Ethnic Kinh
Stable socio-political environment



95%
Literacy rate
2nd highest among top 10 investible FM countries



>60%
Internet penetration
High growth in digital economy and e-commerce



36%
Urbanization rate
Rapidly increasing

Economy



7.0%
2019 GDP growth
Among highest in the world



USD20.4bn
2019 FDI influx
The 2nd largest share in ASEAN



200% of GDP
Total trade
Increasingly open economy



USD2,800
2019 GDP per capita
High and stable growth



2.7%
2019 Inflation
Stable macroeconomic



13
FTAs concluded
3 FTAs in negotiations

Key export products

- Telephone & Accessories
- Textiles
- Computer & Electrical Products
- Machinery & Equipment
- Footwear
- Wood & Wooden Products
- Fishery Products



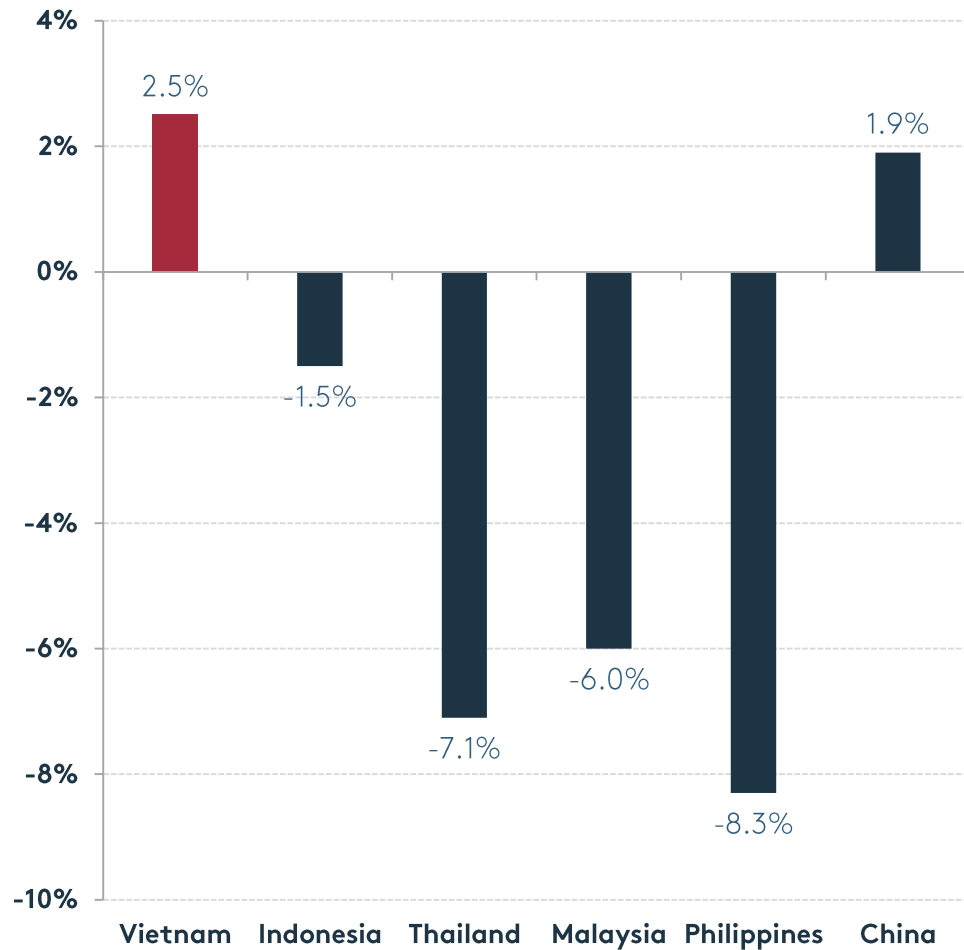
- 1. Vietnam Macro Review: Strong recovery in Q3 2020 – Getting ready for 2021**
2. Vietnam Equity Market: Reasonable valuation and the strong earnings growth of 2021
3. VNH Portfolio: A worthy proxy for the Vietnam market
4. Q & A

Vietnam Macro

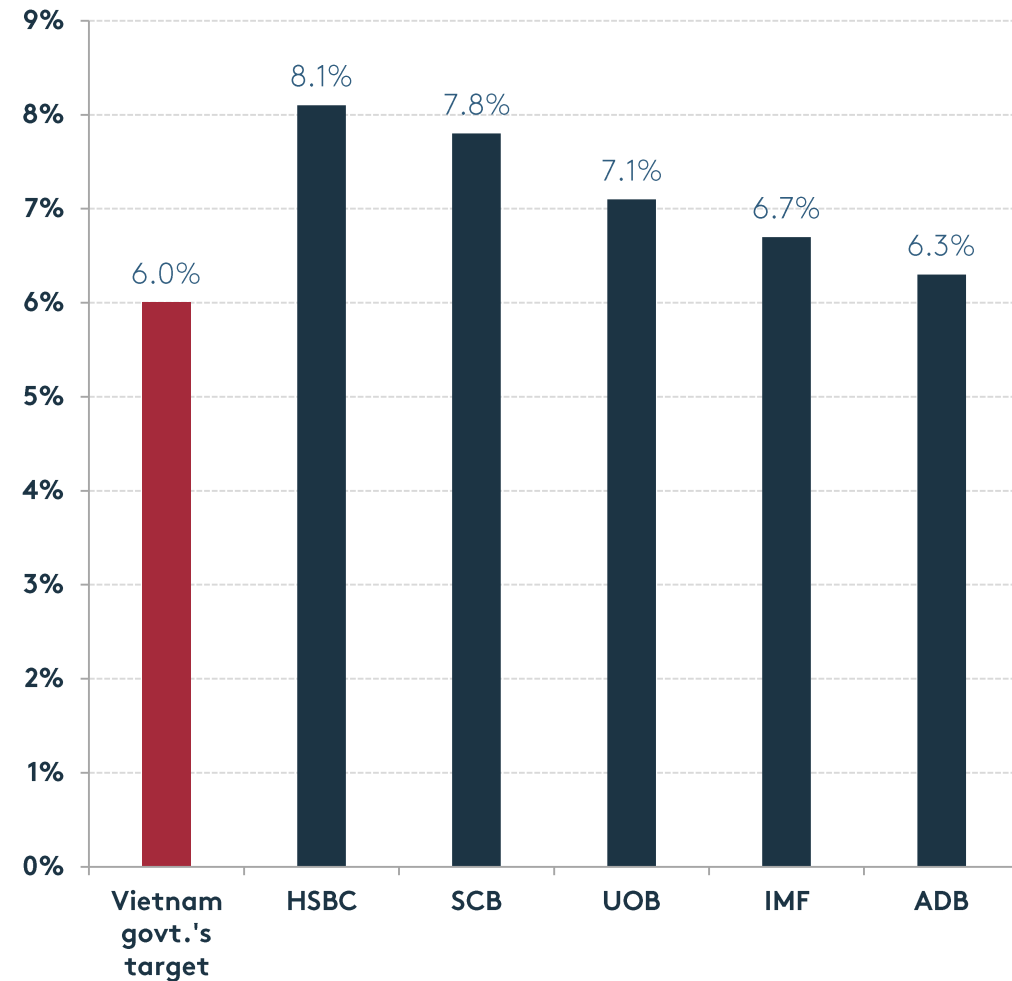
More resilient than peers in 2020 – strong recovery in 2021



Vietnam is one of a few countries achieving positive GDP growth in 2020



GDP forecast to grow at 6-8% in 2021

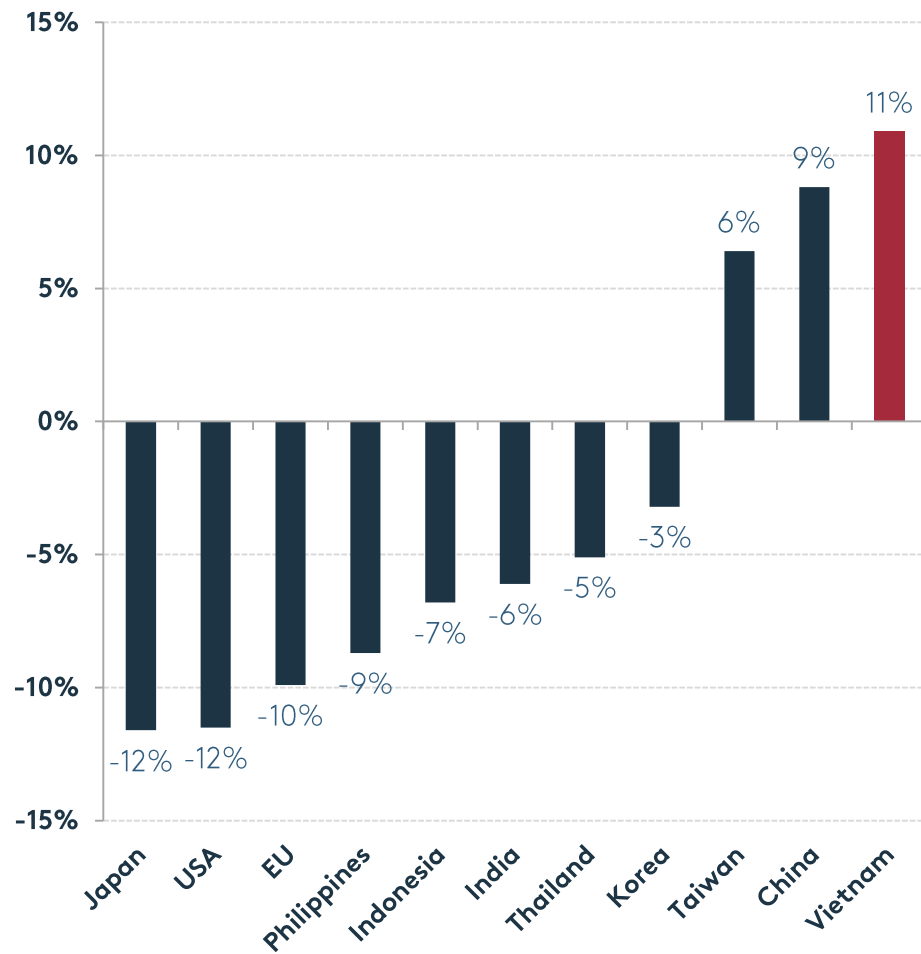


Vietnam Macro

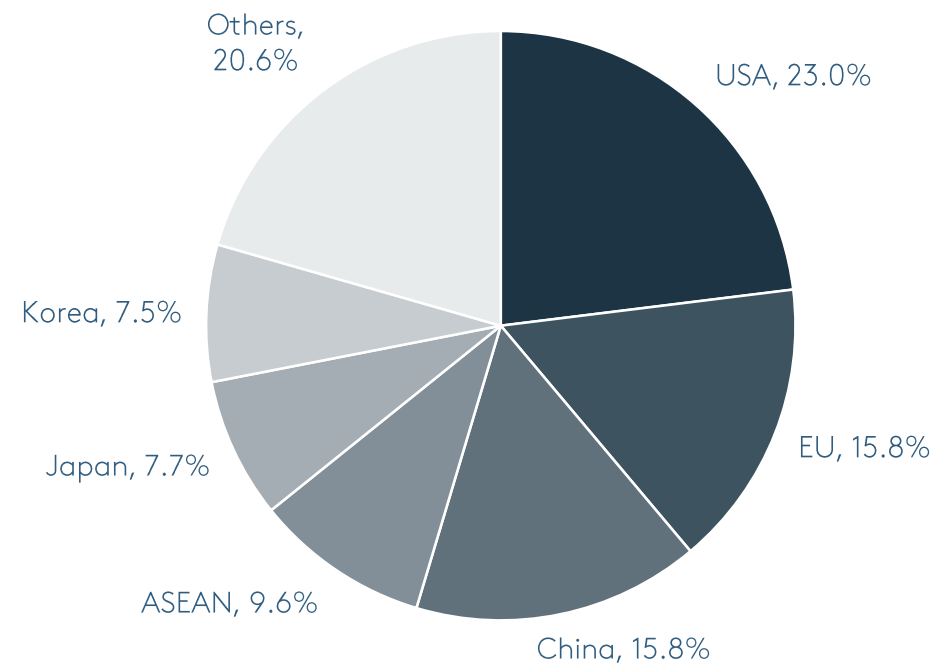
Trade bounced back



Leading the pack in Export growth Q3 2020



Diversified export markets



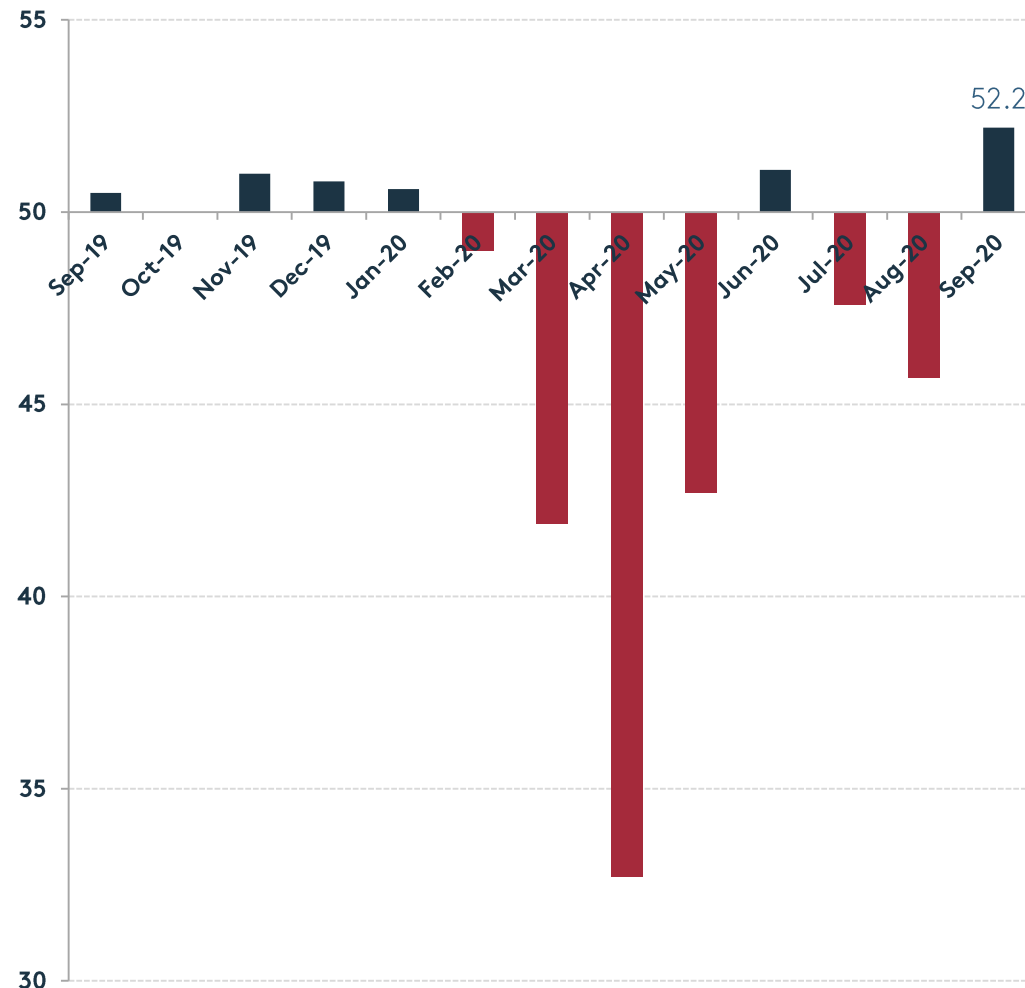
Source: Dynam Capital, GSO, Bloomberg

Vietnam Macro

Manufacturing sector returns to expansion mode



Vietnam manufacturing PMI above 50 level



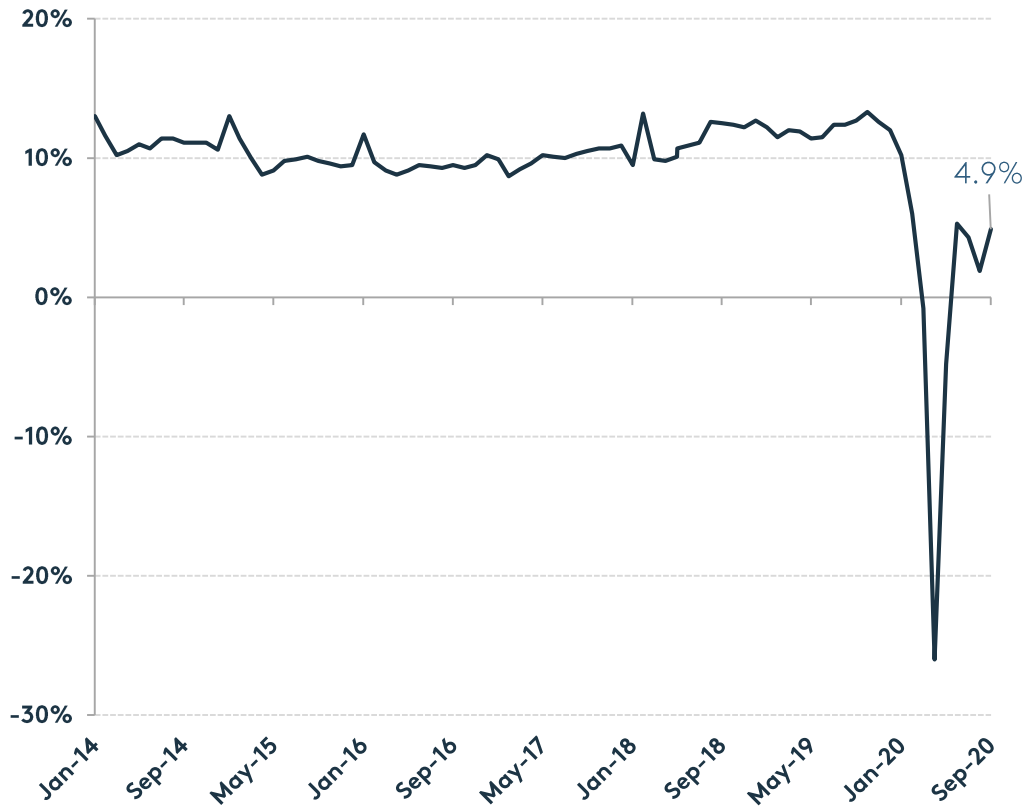
- Manufacturing sector recovered due to the early reopening of the economy.
- The strong bounce-back of China's economy also helps Vietnam
- Manufacturing sector to benefit further from increased FDI and relocation of some China capacity.

Vietnam Macro

Domestic consumption recovered strongly

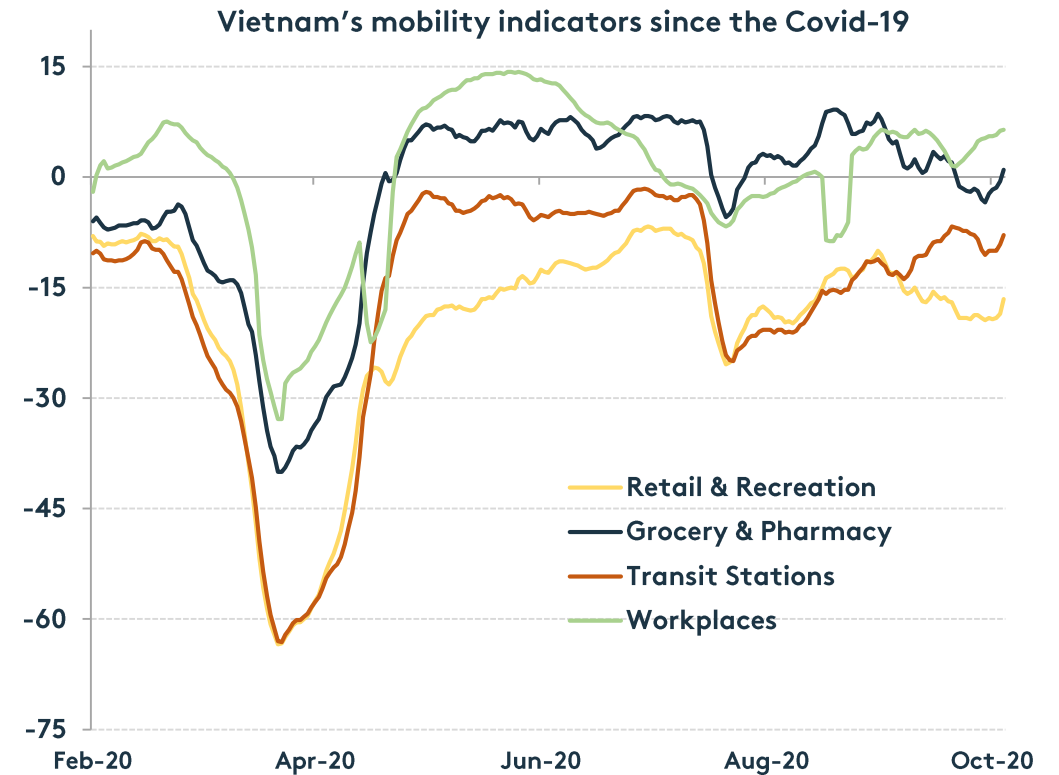


Strong recovery of retail sales (%)



- Retail sales recovered after relatively short and isolated periods of lockdown in April and August.

The economy is getting back to pre Covid-19 level



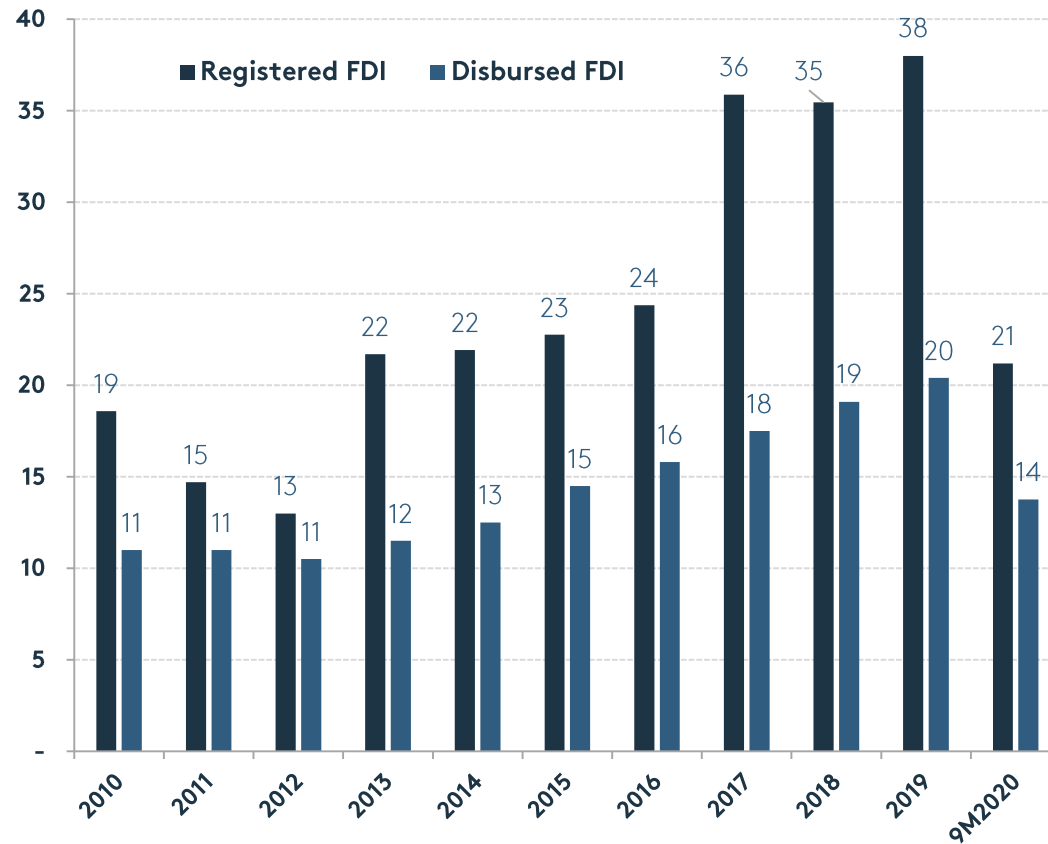
- Workplaces and Grocery & Pharmacy mobility back to pre-Covid level.
- Retail & Recreation and Transit have not full recovered due to restrictions on international travel and quarantine measures

Vietnam Macro

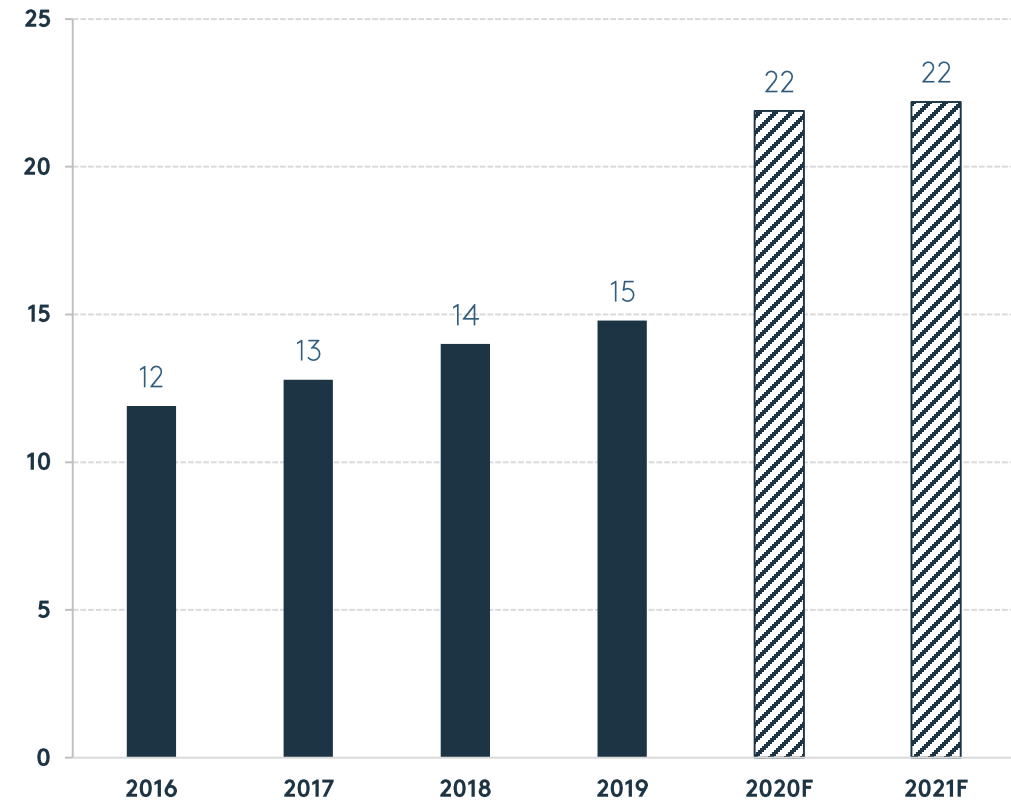
Strong FDI Disbursement and increased Public Investment



FDI disbursement remained strong in 9M2020 (USD bn)



Public investment to be accelerated in the next five years (USD bn)



- Vietnam is positioned well for MNCs relocating from China: industrial land is available and infrastructure development is higher than much of emerging Asia.

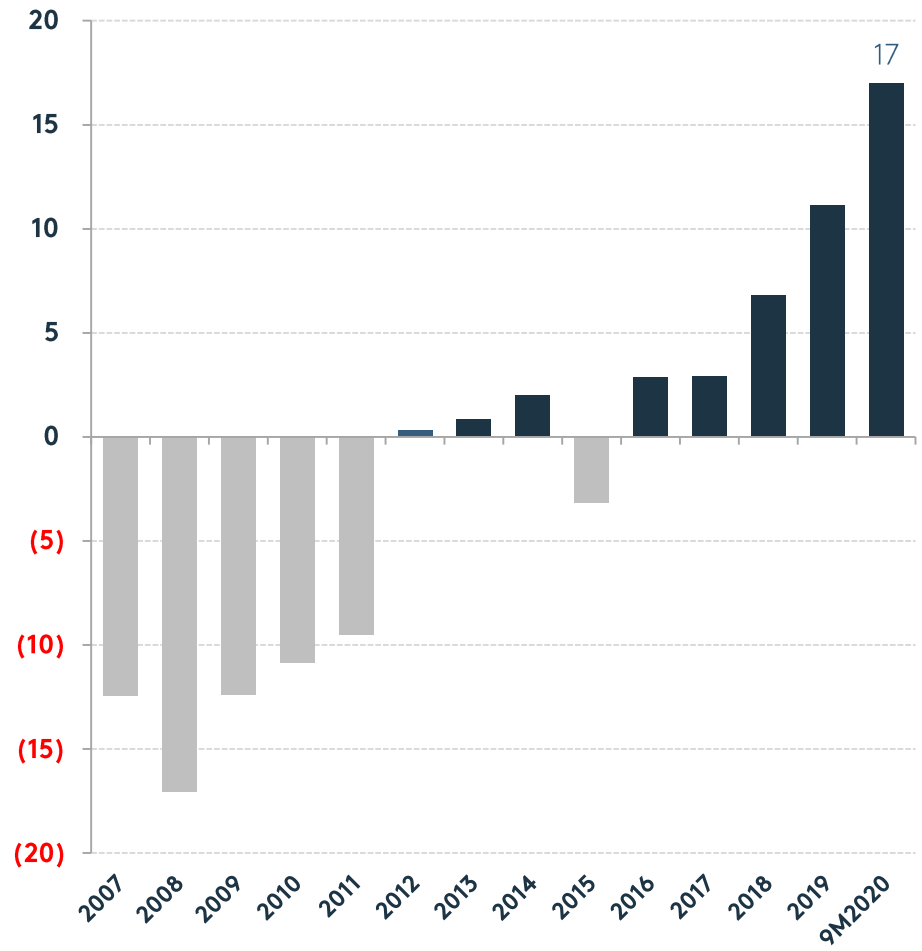
- The government is boosting public investment – with an expected multiplier effect on the domestic economy.

Vietnam Macro

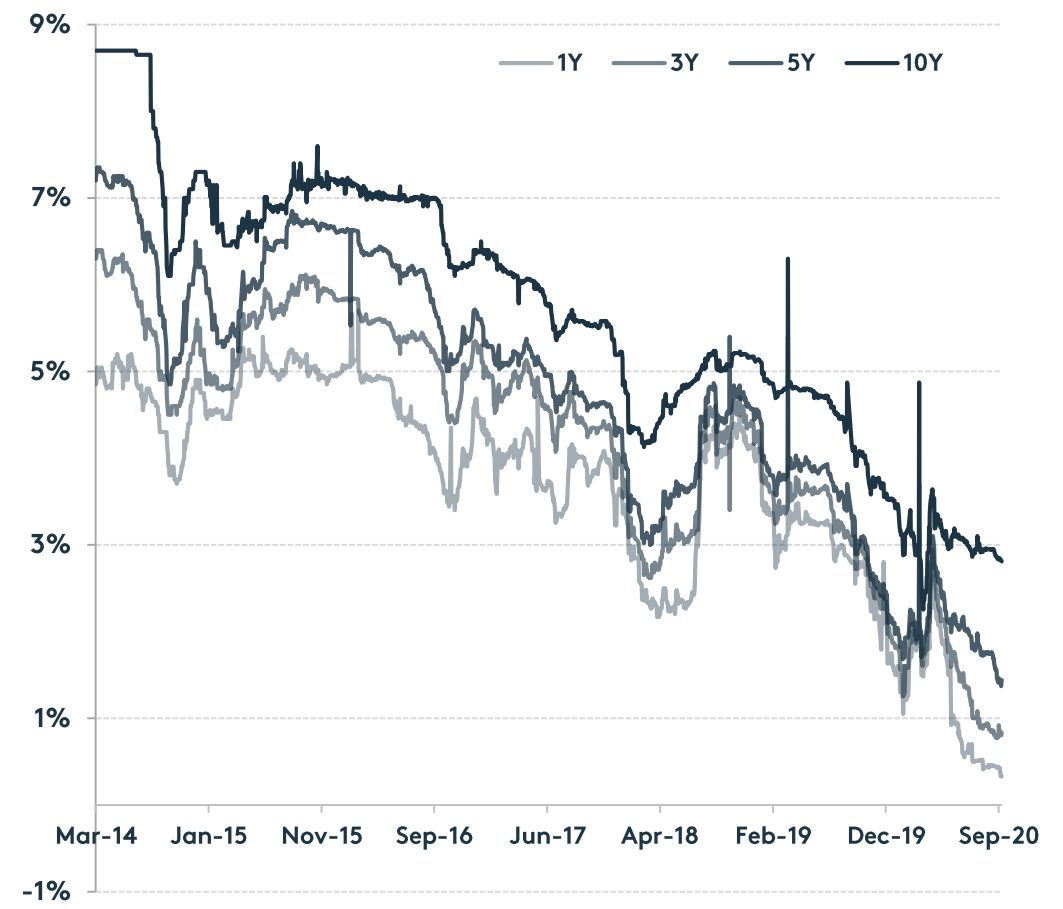
Healthy liquidity and low interest rates



Record high trade surplus YTD (USD bn)



Record low bond yields and interest rates (%)



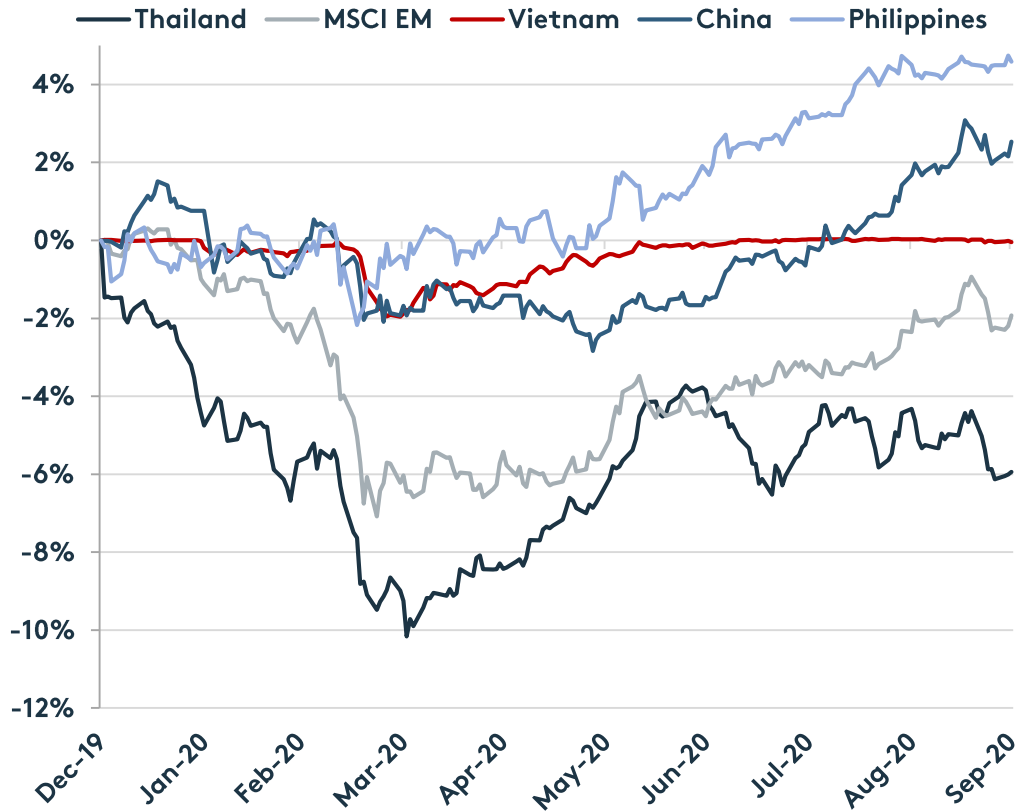
Source: Bloomberg, GSO Vietnam, Vietnam Customs

Vietnam Macro

Stable currency

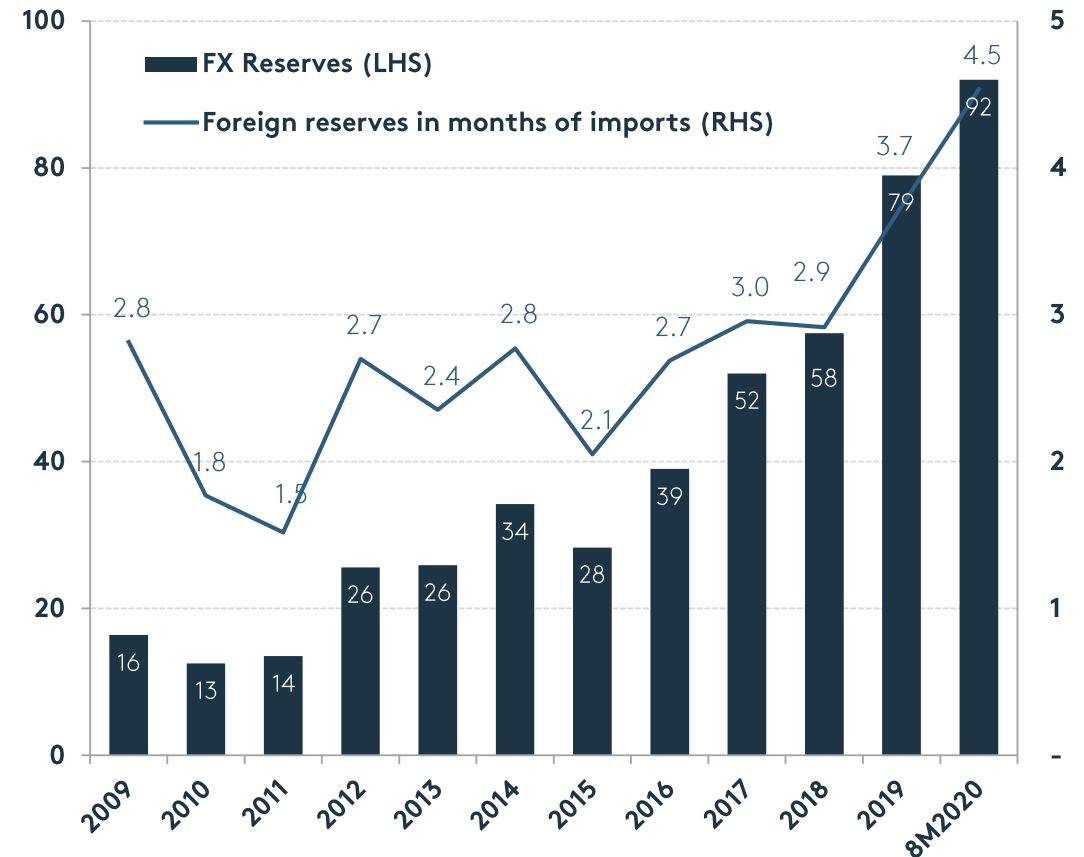


VND has been stable against USD



- Stable currency compared to its peers.

Record high FX reserve (USD bn)



- FX reserves achieved new record highs thanks to increasing trade surplus and stable FDI inflows.

Content

Vietnam: Powering ahead into 2021



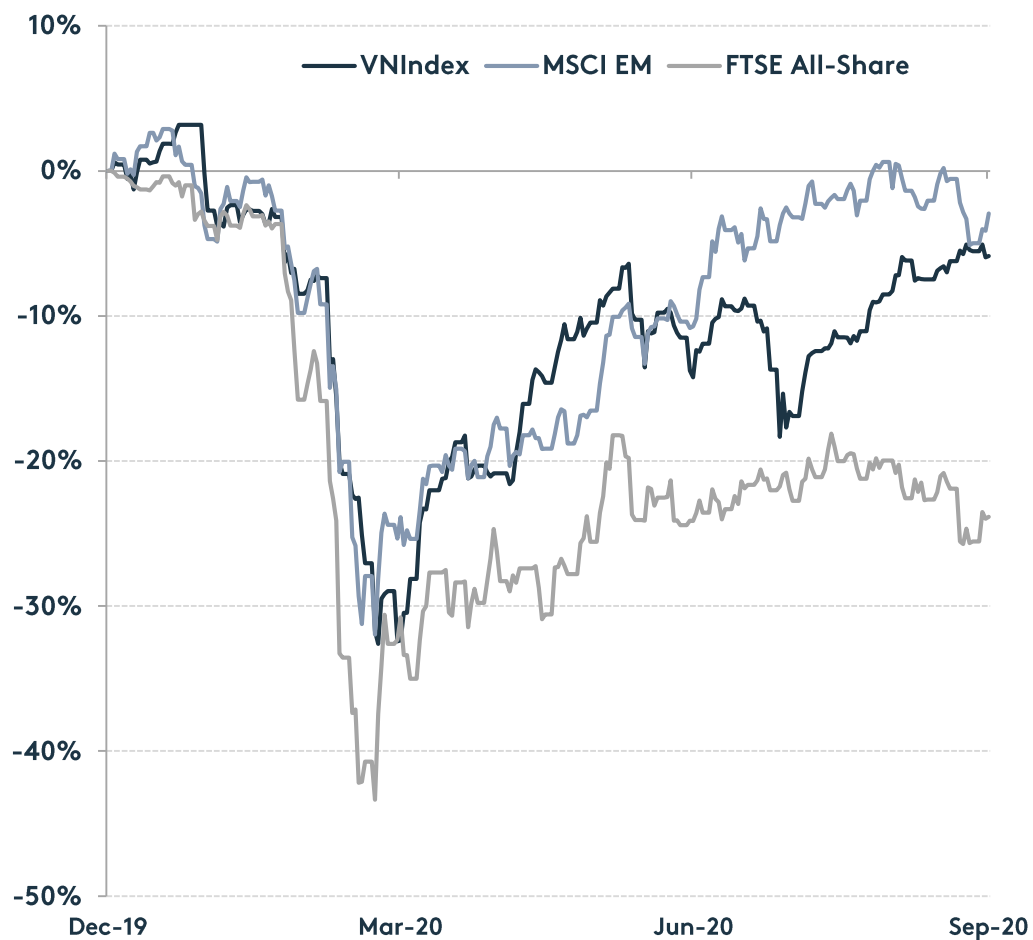
1. Vietnam Macro Review: Strong recovery in Q3 2020 – Getting ready for 2021
- 2. Vietnam Equity Market: Reasonable valuation for the strong earnings growth of 2021**
3. VNH Portfolio: A worthy proxy for the Vietnam market
4. Q & A

Vietnam Equity Market

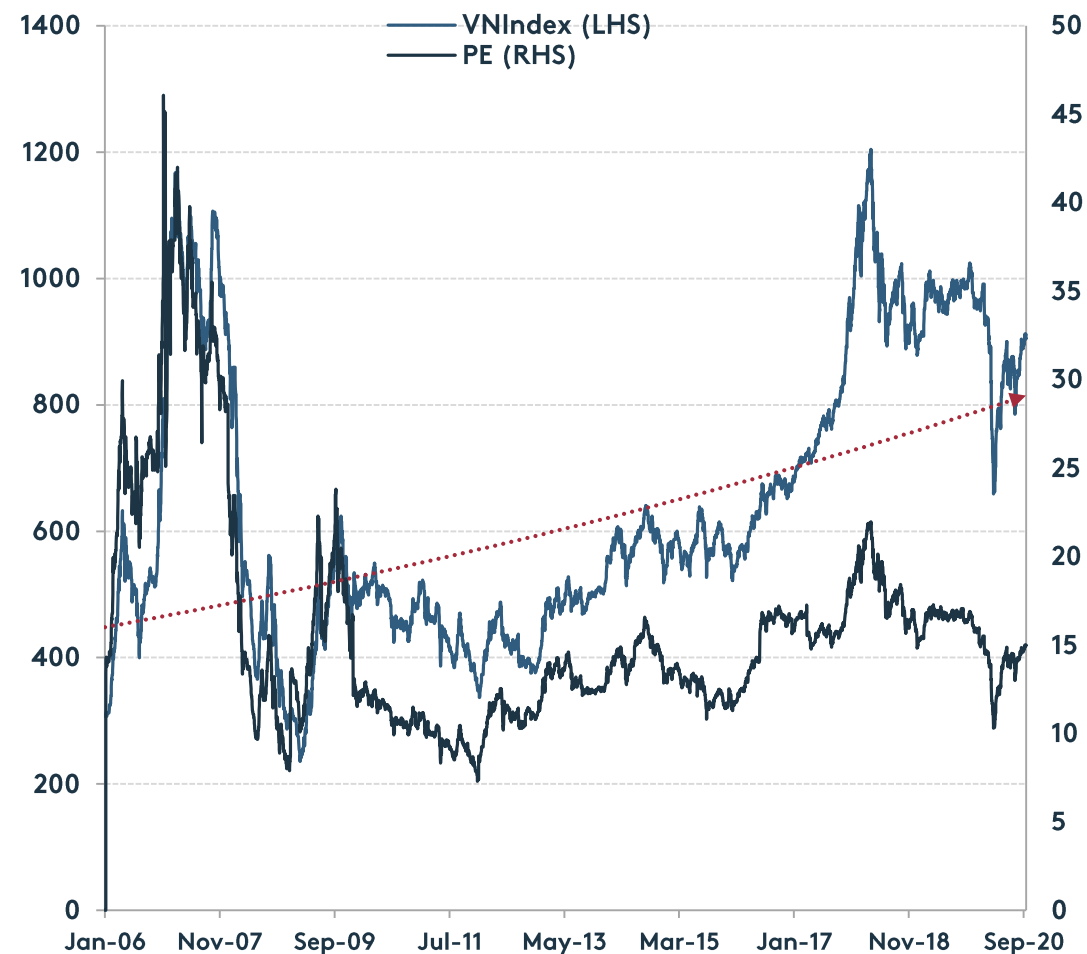
Recovered to pre-Covid-19 level



The main domestic index (VNIndex) recovered to last year's level



Long-term growth trend with reasonable valuation

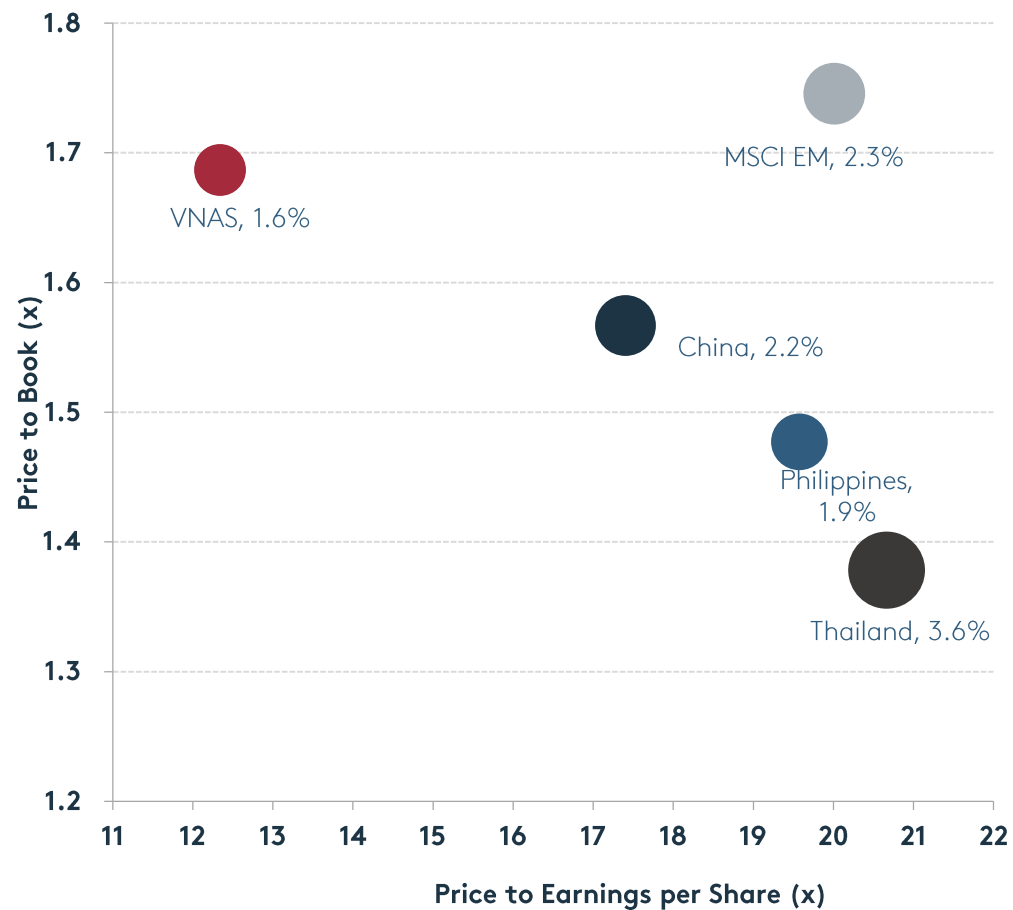


Vietnam Equity Market

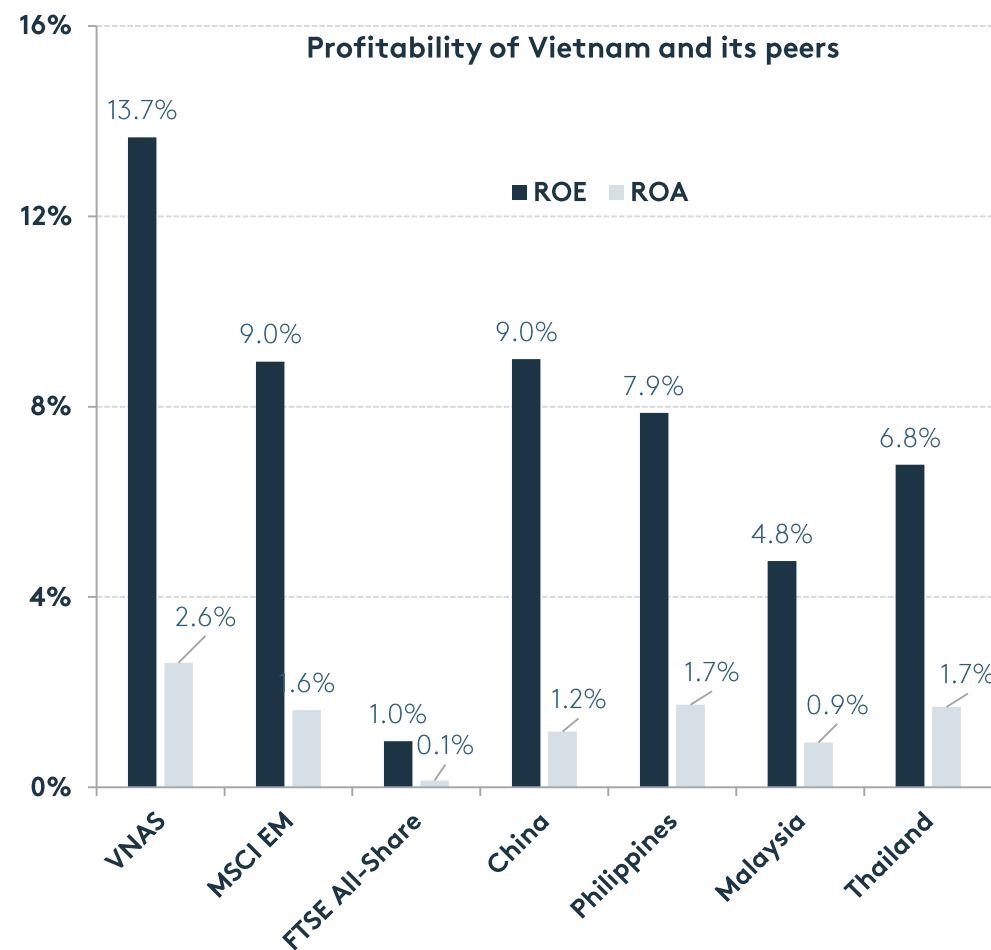
Market is reasonably priced post-Covid-19



Reasonable valuation



Good profitability



Content

Vietnam: Powering ahead into 2021



1. Vietnam Macro Review: Recovering strongly in Q3 2020 – Getting ready for 2021
2. Vietnam Equity Market: Reasonable valuation for the strong earnings growth of 2021
- 3. VNH Portfolio: A worthy proxy for the Vietnam market**
4. Q & A

Dynam Capital's active stock selection – conviction driven

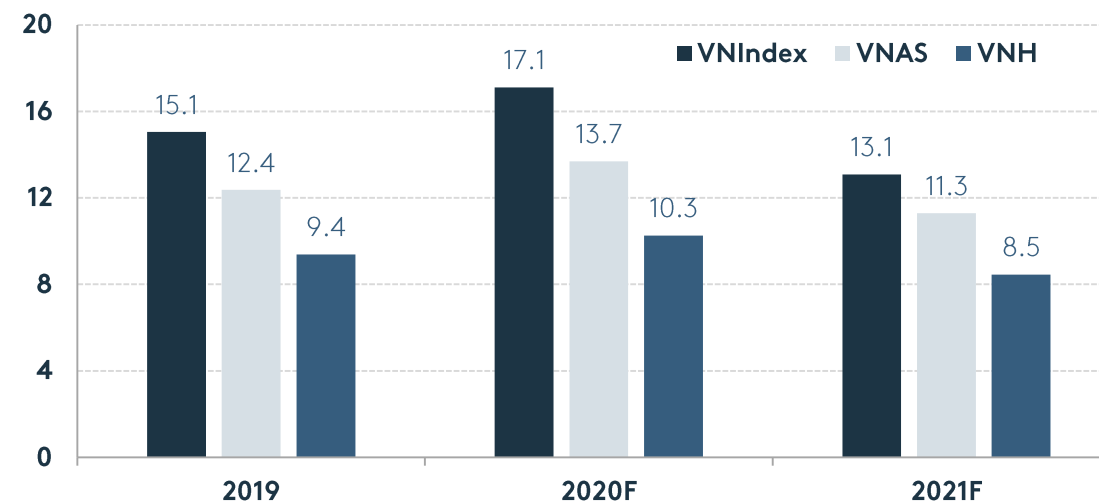
Growth at a Reasonable Price (GARP)



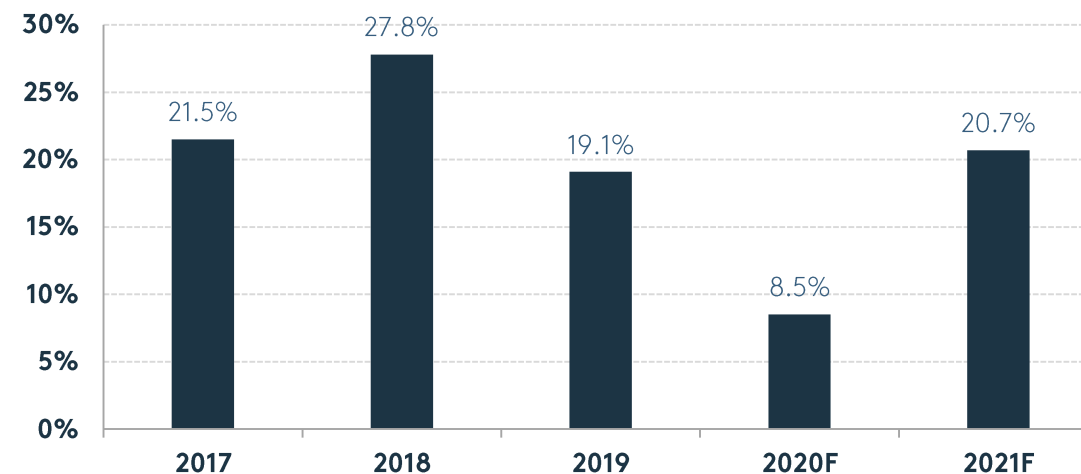
Investment Criteria

- Compounding long-term EPS growth (c20% pa)
- Attractive valuation with built-in safety margin
- Strong balance sheet and cash flow management
- Rigorous Environmental, Social and Governance analysis
- Industry leaders with strong competitive position
- Best management teams among peers

Valuation (P/E Ratio)



Portfolio EPS Growth (2017-2021)



VNH Portfolio

Key themes for 2021

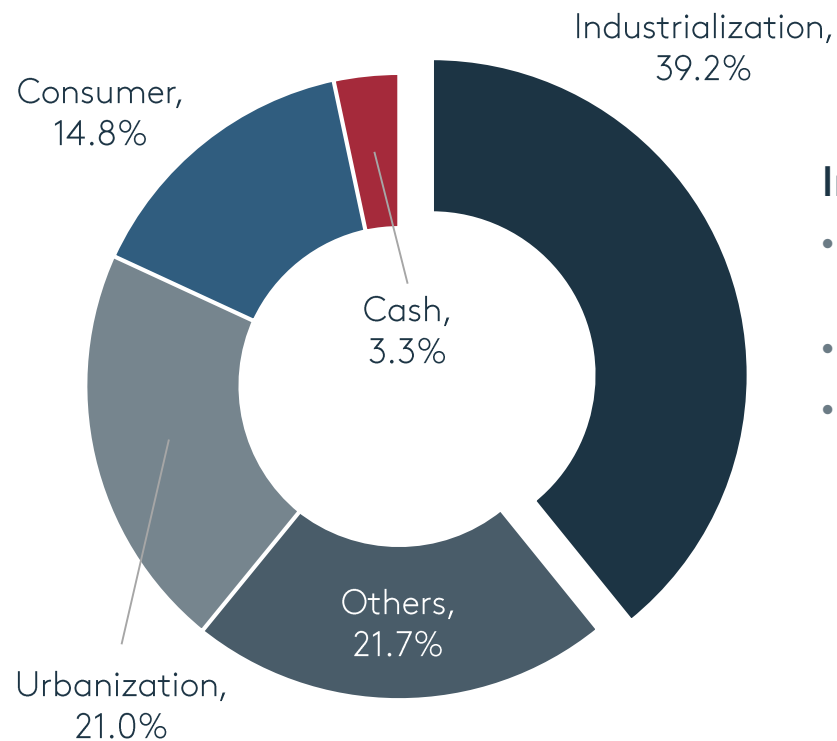


Consumer

- Reopening of the economy supporting near-term recovery
- Mid-term growth of middle-income consumers
- Long-term growth in Modern Trade and e-commerce.

Urbanization

- Still low urbanization rate
- Young demographic.
- Multiplier effect from infrastructure investment.



Industrialization

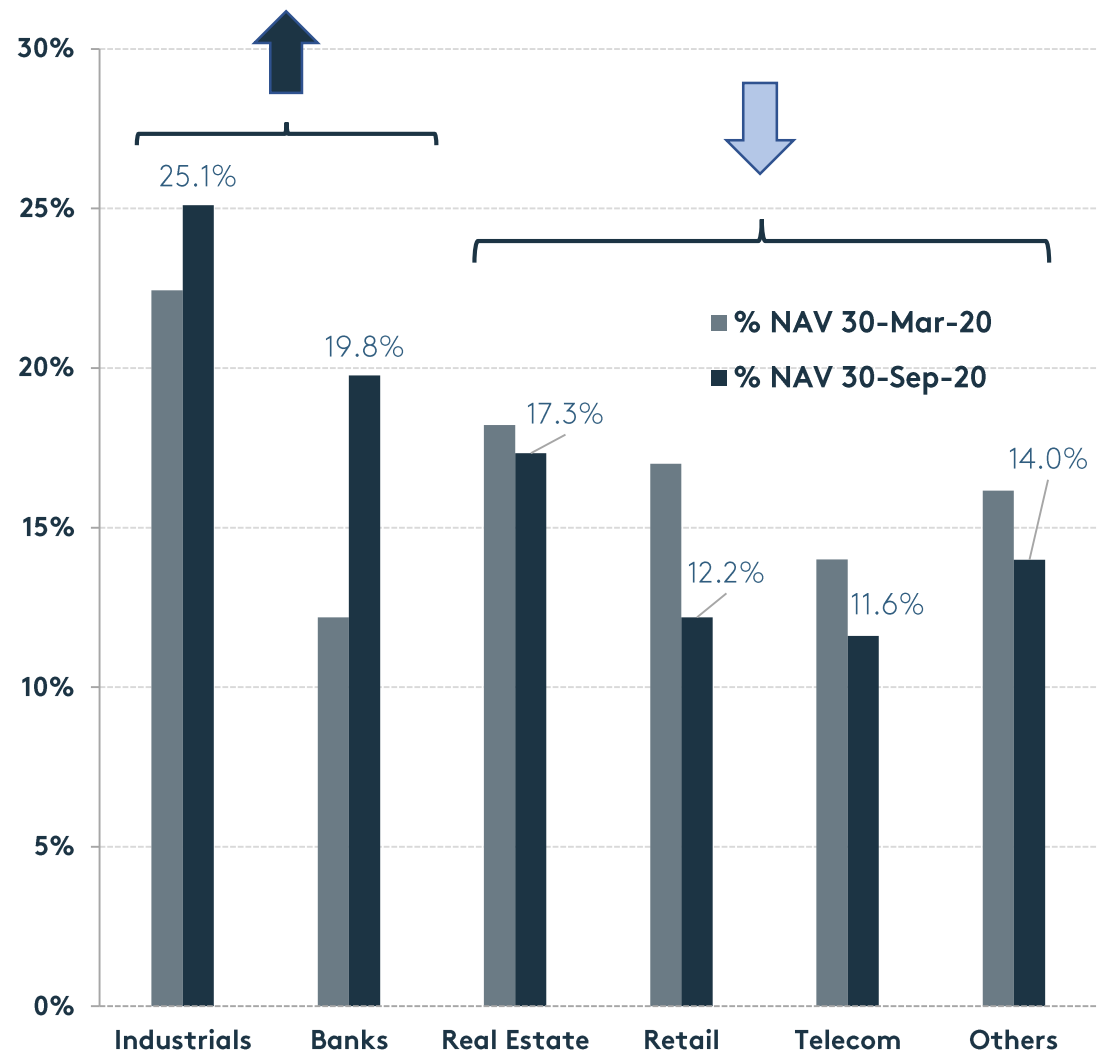
- Sustainable FDI Inflow into manufacturing.
- Increasing infrastructure investments
- Supportive policies from the government for industrialization

Banks and Others

- Relatively high growth sector
- Benefit from good macro conditions
- Leveraged growth on economy

VNH Portfolio

Key portfolio rebalancing



INCREASE

- **Industrials:** Beneficiaries of the accelerating public investment and the economic recovery.
- **Banking sector:** relatively healthy financial position before Covid-19, less impacted by the short-term downturn and benefit the most from the macro situation in 2021.

DECREASE

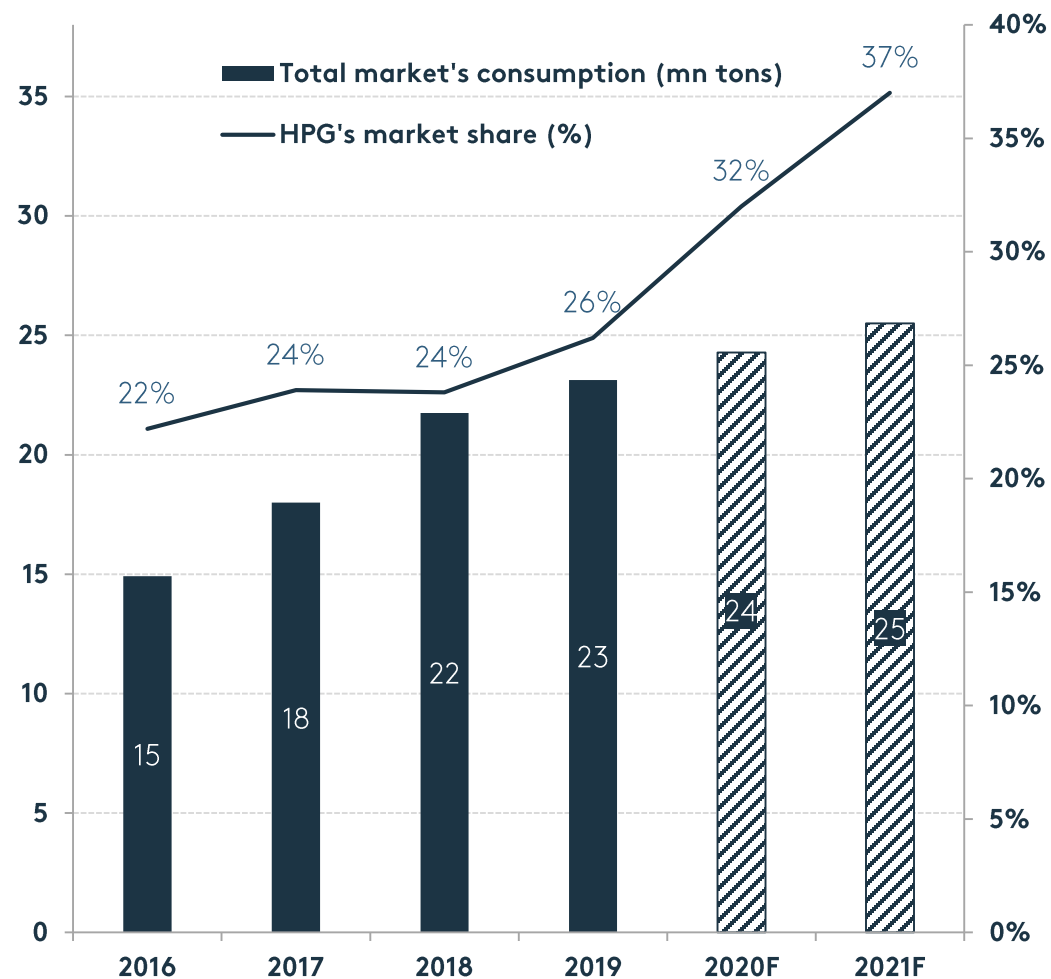
- **Retails:** to reduce risk of slower than expected recovery of the Retail sector.
- **Telecom:** took profit (at premium) and reduced the concentration risk.
- Reduced other small-cap stocks, which were impacted more by the pandemic - improved overall portfolio liquidity.

VNH Portfolio

Key portfolio rebalancing: Increased the leading steel manufacturer Hoa Phat Group (HPG)



HPG increasing market share in a high growth sector



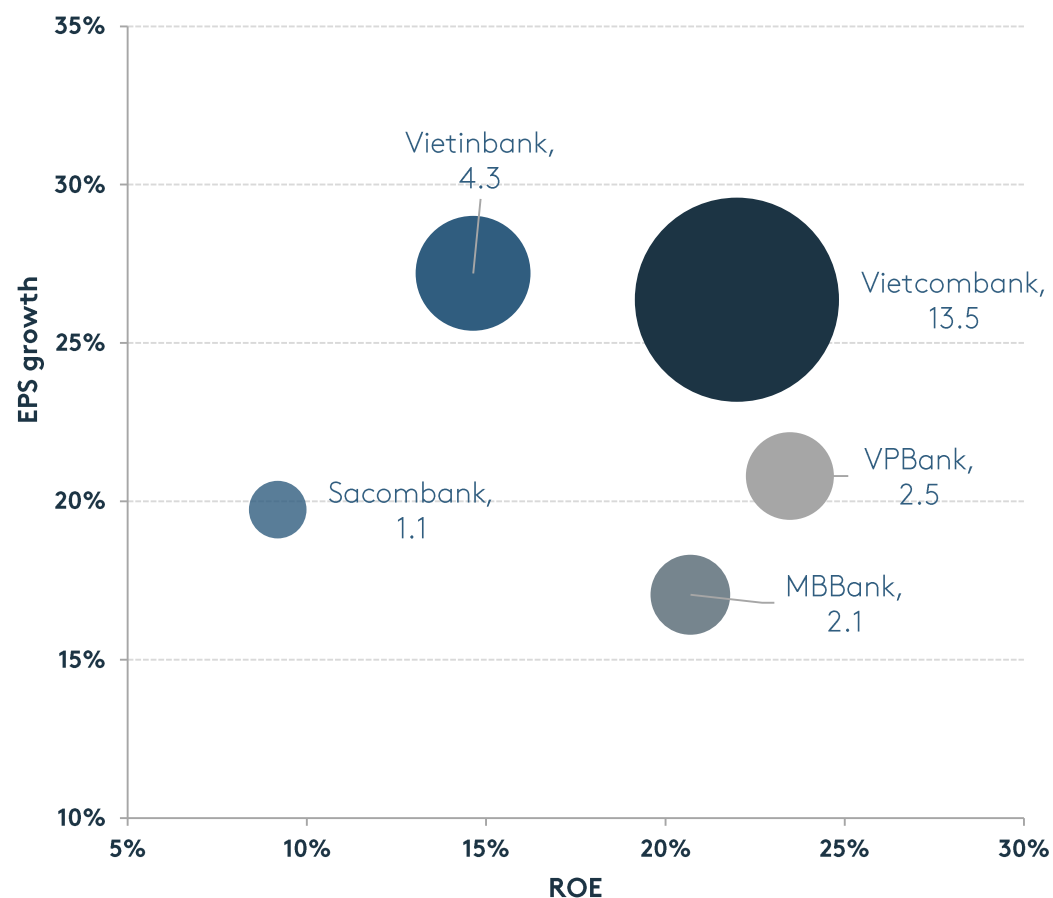
- VNH increased exposure to HPG to 8.5% during Covid-19.
- The number 2 position in the VNH portfolio.
- Industrial production is much more resilient than other sectors.
- Strong growth is expected in 2021 and onwards.
- Public and FDI investment will boost the consumption of steel.
- HPG is the leader, strong competitive and price advantages and able to gain more market shares during the crisis.
- 2021 forward PE of 8.2x as at 30 Sep 2020.

VNH Portfolio

Key portfolio rebalancing: Increased the banking sector



Valuation of a few selected banking positions in the portfolio



(*) The bubble sizes are market caps in USD bn

- VNH increased its holdings in banks during Covid-19.
- Vietnam banking sector entered the year in good health.
- Banking sector should benefit the most from the recovery in 2021.
- Valuation of most banks was attractive during the sell-off.
- Earlier banking restructuring programs are bearing fruit: improved non-performing loan position from the previous crisis.
- A healthier income structure.
- Good performance of retail banking and good growth prospects in an under-banked country.



Top Ten Holdings As of 31 Dec 2019

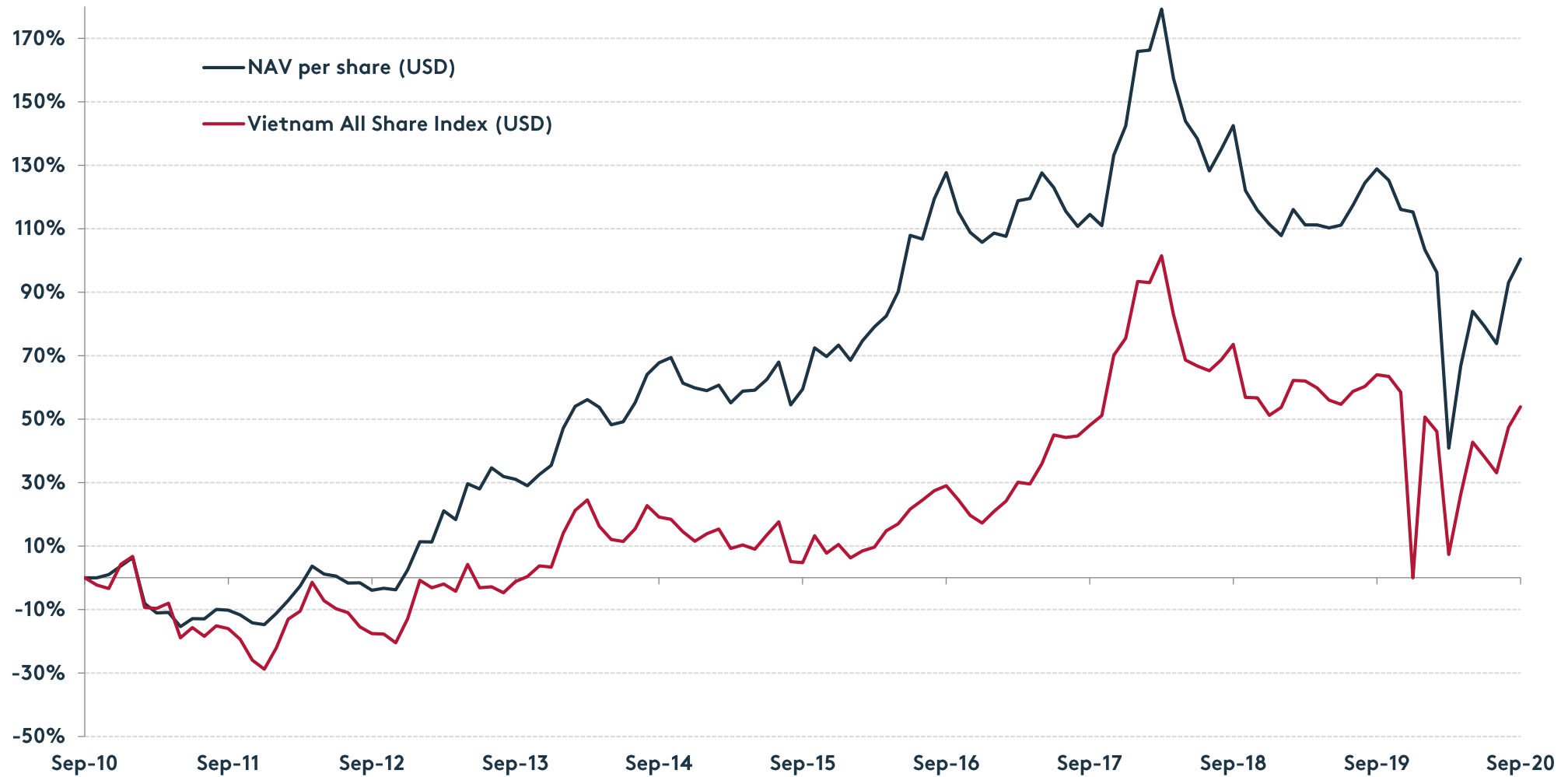
Company	Sector	% NAV
FPT	Telecoms	13.2%
Phu Nhuan Jewelry	Retail	11.2%
Mobile World	Retail	8.1%
MB Bank	Banks	6.5%
Khang Dien House	Real Estate	6.0%
Sai Gon Cargo	Industrials	5.7%
Dat Xanh Group	Real Estate	4.8%
ABA Cooltrans	Industrials	4.3%
Vincom Retail	Real Estate	4.0%
PV Trans	Oil & Gas	3.9%
Total		67.6%

Top Ten Holdings As of 30 Sep 2020

Company	Sector	% NAV
FPT	Telecoms	11.6%
Hoa Phat Group	Industrials	9.0%
Mobile World	Retail	8.0%
Vinhomes	Real Estate	6.3%
Khang Dien House	Real Estate	6.2%
Gemadept Corp	Industrials	5.0%
ABA Cooltrans	Industrials	4.6%
VietinBank	Banks	4.6%
Vietcombank	Banks	4.2%
Phu Nhuan Jewelry	Retail	4.2%
Total		63.7%

VNH Portfolio

10-year NAV per share performance vs. VNAS Index (Sep 2010 – Sep 2020)



Disclaimer



This presentation relates to Vietnam Holding Limited (the "**Company**") and has been prepared by Dynam Capital, Ltd. ("**Dynam**"). This presentation is for information and discussion purposes only and should not be considered to be an offer or solicitation of an offer to buy or sell shares in the Company, nor an offer or invitation or other solicitation or recommendation to purchase or subscribe for any securities.

Neither this presentation nor its contents may be distributed, published or reproduced, in whole or in part, by you or any other person for any purpose.

The information in this presentation has not been fully verified and is subject to material revision and further amendment without notice. None of the Company, Dynam, their respective advisers or any other person, representative or employee makes any guarantee, representation or warranty, express or implied, as to the accuracy, completeness or fairness of the information and opinions contained in this presentation, and no such person accepts any responsibility or liability whatsoever for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection therewith.

Certain statements in this presentation constitute forward-looking statements. Any statement in this presentation that is not a statement of historical fact including, without limitation, those regarding the Company's and/or Dynam's future expectations, operations, financial performance, financial condition and business is a forward-looking statement. Such forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially. These risks and uncertainties include, among other factors, changing economic, financial, business or other market conditions. These and other factors could adversely affect the outcome and financial effects of the plans and events described in this presentation. As a result you are cautioned not to place reliance on such forward-looking statements. Nothing in this presentation should be construed as a profit forecast.

This presentation has not been approved by an authorised person in accordance with section 21 of the Financial Services and Markets Act 2000. As such this document is being made available in the United Kingdom only to and is directed only at: (a) persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (b) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) (A) to (C) of the Order, and (c) other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "**relevant persons**"). Any failure to comply with these restrictions constitutes a violation of the laws of the United Kingdom. The distribution of this presentation in or to persons subject to the laws of other jurisdictions may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of the relevant jurisdiction.

By accepting this document or by attending any presentation to which this document relates you will be taken to have represented, warranted and undertaken that: (i) you are a relevant person; (ii) you have read and agree to comply with the contents of this disclaimer; and (iii) you will treat and safeguard as strictly private and confidential all the information contained herein and take all reasonable steps to preserve such confidentiality.