

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 domestic consumption, industrialisation and urbanization.

**Fund Overview**

Shares Price	335.0 pence
NAV	361.0 pence
	\$4.597
Discount / Premium	-7.2%
Total Net Assets	\$125.4m
Shares in Issue	27m
Portfolio Managers	Vu Quang Thinh Nguyen Hoang Thanh Craig Martin
Investment Manager	Dynam Capital
Ticker	VNH
Website	<a href="http://www.vietnamholding.com">www.vietnamholding.com</a>

**Portfolio**

Number of Investments	25	
Median Portfolio Market Cap	\$1,087m	
Foreign Ownership Limit Stocks*	31.5%	
<b>Thematic Exposure</b>		
Industrialisation	37%	
Domestic Consumption	14%	
Urbanisation	8%	
	<b>2023E</b>	<b>2024F</b>
EPS Growth	13.9%	31.7%
P/E Ratio	12.6	10.1

\*Percentage of portfolio in stocks at their Foreign Ownership Limits

Performance USD (%)	1 Month	Year-to-date	3 Year (CAGR)	5 Year (CAGR)	10 Year (CAGR)
Vietnam Holding NAV	2.4%	2.4%	13.5%	11.4%	9.3%
Vietnam All Share Index (VNAS)	1.8%	1.8%	3.2%	6.2%	6.2%

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: Banking on the Year of the Dragon**

As figures for January show, Vietnam's macro-economic landscape provides a promising setting for growth in the Year of the Dragon. To start, the country celebrated a significant trade surplus of USD2.9bn in the first month of 2024, with both exports and imports posting the strongest growth seen over the past two and a half years.

Exports of electronic items led this jump, with high shipments of products in general to all key markets. The momentum in retail sales also continued from the month before, with a solid 8.1% year-on-year (YoY) rise despite the high base given Tet fell in January in 2023. The sustainable growth was driven largely by travel services, which had a stunning rebound, even marginally exceeding pre-Covid levels.

Manufacturing activity in Asia overall improved considerably in January, particularly in Vietnam and South Korea, as stronger demand from major markets offset the slump in China. For the first time in five months, Vietnam's PMI rose over 50.

Increases in Vietnam's foreign direct investment (FDI) and public investment disbursement in January are also worth highlighting. Registered FDI reached USD2.4bn, up 40.2% YoY, the highest level seen since 2020. Much of this rise came from new commitments, indicating a strong start to the year, with more than half coming from the property industry. Furthermore, public investment increased by 12.5% YoY, accounting for 4.4% of the 2024 plan, and we expect this to remain one of the government's primary priorities in 2024.

With liquidity further easing and inflation cooling, favourable effects of Vietnam's monetary policy are likely to become even more effective for its economy in 2024. Plus, in terms of building

greater trust, the Vietnamese authorities' anti-corruption effort continued to hit headlines in the few weeks of 2024 with several significant events in both the public and private sectors.

For example, the People's Court in Ho Chi Minh City installed security cameras and additional fire safety equipment to safeguard six tonnes of files related to the Van Thinh Phat scandal. The municipal Party Committee also said that it will compensate persons who report corruption with up to VND 10m (USD 420) "if their information is accurate and helps the competent agencies verify and handle corruption and negative acts." In addition, the Ministry of Home Affairs issued a regulation declaring that top government personnel should not seek "fame or power".

As Vietnam's stock market rally continued, January proved positive for Vietnam Holding as well, as it once again outperformed with a NAV of +2.4 versus VNAS's 1.8%. January's gains were largely about the banks, which have been benefiting from improved credit over recent months. The Fund is well-positioned for growth in 2024 with a modest price-to-earnings ratio of 10x and strong forecast earnings per share growth of 32%.

It is worth noting that the Fund has the narrowest discount (by far) of the three London-listed Vietnam focused funds, another compelling reason to feel good about the year ahead. At time of writing the discount has narrowed to 3%, and the share price has hit an all-time high. The Chairman of Dynam Capital, Craig Martin, will be in London, Edinburgh and Guernsey between March 18-22, do reach out if you would like to meet up in person.

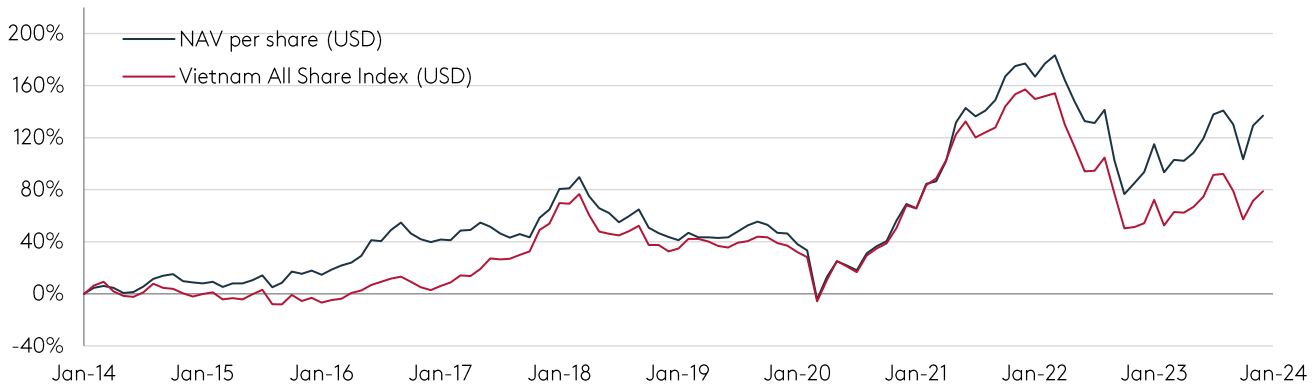
We wish all investors a safe and prosperous lunar new year, and welcome the Wood Dragon.

**Top 10**

Investments	NAV %	% +/-	Manager Comment
FPT Corp	14.4	-1.1%	FY2023 Net profit after tax (NPAT) and revenue increased by 20%. 2024PE of 17.4x
MB Bank	6.3	15.9%	FY2023 NPAT increased 18.3% YoY to USD 840.8mn(*), driven by strong loan growth of 32.7% YoY. 2024PB 1.0x
Gemadep	6.1	-4.0%	FY2023 NPAT increased 122% YoY to USD 89.8mn(*) while net sales dipped 1.3% YoY to USD 155.1mn(*). 2024PE of 16.8x
Sacombank	6.0	6.3%	FY2023 NPAT increased 53.1% YoY to USD 314.3mn(*), due to NIM expansion and lower provisioning expenses. 2024PB 1.0x
Vietcombank	5.8	9.5%	FY2023 NPAT increased 10.5% YoY to USD 1,346.9mn(*), due to modest loan growth of 10.9% YoY. 2024PB 2.5x
Phu Nhuan Jewelry	5.7	5.7%	FY2023 NPAT increased 8.9% YoY to USD 80.4mn(*), due to an improvement in net margin of 60 bps to 5.9%. 2024PE of 13.5x
IDICO	5.4	4.1%	FY2023 NPAT declined by 21% YoY due to a lower booked revenues versus the prior year. 2024PE of 11.7x.
Asia Commercial Bank	5.1	7.1%	FY2023 NPAT increased 13.4% YoY to USD 632.7mn(*), driven by loan growth of 16.3% YoY. 2024PB 1.1x
SSI Securities	4.6	4.2%	FY2023 NPAT increased 35.2% YoY, due to equity and fixed-income portfolio and transaction gains. 2024PB 1.8x
FPT Digital Retail	4.1	6.4%	FRT incurred a loss of USD 14.1mn(*) due to weak demand in ICT, despite steady development in its pharmacy chain. 2024PE of 34.2x

(\* ) VND amounts are translated to USD equivalents at an exchange rate of 24,500

**Total 63.5**

**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
Redemption facility	Annual facility (w.e.f Sep 2024)
Management Fee	1.75% on NAV below \$300m
(w.e.f 1 <sup>st</sup> Nov 2020)	1.50% on NAV \$300-600m
	1.00% on NAV above \$600m
Administrator	Apex Group (Guernsey)
Custodian	Standard Chartered Bank

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