



VietNam Holding Ltd. (VNH) is a value investor, aiming to generate high risk-adjusted returns by combining rigorous financial analysis with interactive sustainability research. Its current investment themes are agriculture, domestic consumption and urbanization. VNH's ordinary shares and warrants are listed on the London Stock Exchange's AIM.

Fund Statistics

Total NAV USD 131,849,742

NAV per share USD 2.351

Shares in issue 56,094,051

Treasury shares 10,407,642

Equity investments 99.12%

Number of investments 27

Vietnam News

April was a good month for Vietnam, with the Vietnam All Share Index rising 4.7%, leaving it up 3% in the calendar year to date. The currency remains stable, up just under 1% year to date versus the dollar. By comparison the MSCI emerging and frontier indexes are both up some 6% year to date.

Despite the El Niño-induced downbeat first quarter GDP growth figure of 5.5%, most indicators for the Vietnamese macro-economy remain very positive. The year to date trade surplus as of mid-April is some USD 1.5bn, with good growth in exports of the higher-end items like mobile phones and machinery of over 20% and 15% respectively. Banking sector loan growth appears likely to hit the high teens for the second straight year.

While Vietnamese interest rates have lifted off their cycle-bottom set within the last 12 months, they have only done so

very softly: by 30 basis points on deposit rates to 6.0% on average, and by just a few basis points on lending rates to 9.4% on average. Industrial production growth remains solid at 7.3% year to date, so too foreign direct investment disbursements growth at 12% and real retail sales growth at 7.5%. Continued FDI interest from Thailand remains a notable observation, with a recently announced purchase of Big C by Central Group for EUR 1bn.

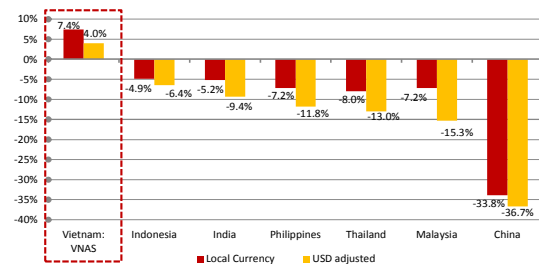
Although the IMF has recently cited Vietnam's rising public sector indebtedness (around 64% of GDP) as a concern, we take the view that this will act to spur faster privatisation progress. We also note the entire economy's modest overall debt ratios, with total credit to GDP of about 110-120% looking pretty good alongside ratios of c. 250% (China, UK, US, South Korea, Switzerland, Eurozone), 200% (Malaysia), and 160% (Thailand).

Regional Valuation and Dividend Yield Comparison

	P/E trailing	Price to Book	Dividend Yield
Indonesia	23.9	2.4	2.0
Philippines	21.6	2.5	1.8
India	19.6	2.7	1.6
Thailand	19.4	1.8	3.4
Malaysia	18.3	1.6	3.2
China	16.1	1.6	2.1
Vietnam: VNAS	12.1	1.5	3.5

Source: Bloomberg.

Regional Performance Comparison



Source: Bloomberg. Date range: 30 April 2015 to 30 April 2016.

VNH Insights

VNH's NAV per share rose 2.0% on the month and is up 5.3% year to date at USD 2.351. Amid the above mentioned buoyant growth in Vietnam, there are plenty of stocks for us to consider as beneficiaries, but there is also the reminder that growth does not necessarily mean profit. For example, the banks - which our portfolio remains largely absent of - continue to face the headwinds of continual provisioning for the 2011-14 slow-motion NPL crisis, the spectre of large equity capital dilution, and the pressures of coming Basel standards adherence. At some point these factors will be fully discounted and sector buying opportunities will develop, but we haven't reached it yet. Another example is the food retailing space, where massive

investments by several groups (VIC, MWG, Lotte) are set to change the face of retailing in Vietnam, but where, amidst this heavy competition, profits could be thin.

Some day before 2020 Vietnam will most likely join the MSCI emerging markets index, unleashing a new wave of investment funds to its stock market. Rather than day-dreaming on that thought, the authorities in Vietnam will hopefully concentrate on a key fundamental: privatize significant stakes in the biggest and best state owned enterprises. This will lift Vietnam to emerging market status more than any other single factor.

Fund Facts

Domicile Cayman Islands
 Admission 15 June 2006
 Stock Exchange London AIM
 Management Fee 2.00% for NAV < \$100M
 1.75% for NAV > \$100-150M
 1.50% for NAV > \$150M
 Performance Fee 15% (hurdle rate 5%)
 LSE Ticker VNH
 Bloomberg Ticker VNH LN Equity
 ISIN KYG9361X1043

AIM Nominated Adviser

Smith & Williamson Corporate Finance Limited
 Azhich Basirov +44 20 7131 4000

AIM Broker

Winterflood Investment Trusts
 Neil Langford +44 20 3100 0301

Administrator & Custodian

Standard Chartered Bank
 7 Changi Business Park Crescent,
 Level 3, Securities Services,
 Singapore 486028

Investment Manager

VietNam Holding Asset Management Ltd.
 Tel: +41 43 500 2810
investorrelations@vnham.com



Net Asset Value / Portfolio

NAV per Share Performance

Last month	1.95%
Year-to-date	5.33%
Last 12 months	14.96%

Portfolio Statistics

P/E (trailing)	12.14%
Dividend yield	3.11%
PEG (trailing)	0.91
PEG (forward)	0.80
Beta	0.70

Median market cap / investment (USD million)	130.43
--	--------

Share Price / Discount

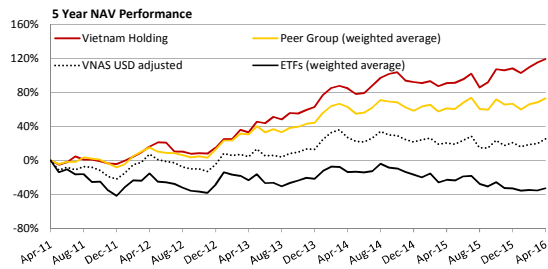
Share Price Performance

Last month	0.76%
Year-to-date	4.04%
Last 12 months	13.35%
Sharpe ratio	1.18
Alpha	0.25
Beta	0.58
Market capitalisation (USD million)	111.91

Share Price Discount to NAV

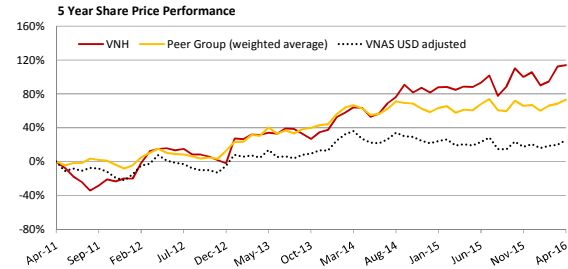
VNH	15.14%
Peer Group weighted average	19.52%
Operating Expense Ratio (12 month rolling)	2.99%

NAV Performance vs. VNAS and Peers



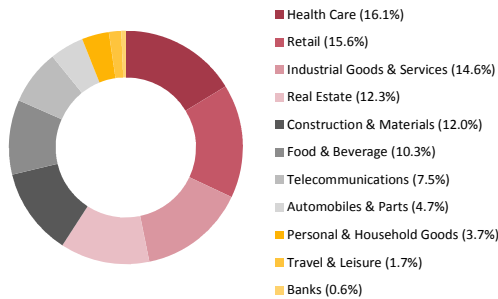
Source: Bloomberg. Peer Group: VEIL, Vietnam Opportunity Fund, VEH, DWS Vietnam Fund, PXP Emerging Equity. ETFs: Market Vectors Vietnam ETF and db x-trackers FTSE Vietnam ETF.

Share Price Performance vs. VNAS and Peers



Source: Bloomberg. Peer Group: VEIL, Vietnam Opportunity Fund, VEH, DWS Vietnam Fund, PXP Emerging Equity.

Industry Allocation



Top 10 Holdings

Investee Company	Market	Percent of NAV
Traphaco	HOSE	9.98%
Phu Nhuan Jewelry	HOSE	7.99%
Vinamilk	HOSE	7.71%
FPT Corporation	HOSE	7.55%
Binh Minh Plastic	HOSE	7.21%
Viconship	HOSE	6.39%
Thien Long Group	HOSE	5.92%
Hoa Phat Group	HOSE	5.08%
Danang Rubber	HOSE	4.65%
Khang Dien House	HOSE	3.89%

London Stock Exchange Market Makers

Winterflood	Richard Browne +44 203 100 0251	Stifel Nicolaus	Shayne Barge +44 207 710 7665
Jefferies	Michele White +44 207 898 7127	Numis Securities	David Cumming +44 207 260 1376
JPM Cazenove	Steven Cheshire +44 207 155 8063	LCF Rothschild	Johnny Hewitson +44 207 845 5960
Investec	Peter Brown +44 207 597 5063	finncap	James Simpson +44 207 220 0558



www.vietnamholding.com

Disclaimer

This monthly update ("Update") is for information only and does not constitute or form part of, and should not be construed as, any offer, inducement or an invitation to sell, acquire or issue, or any solicitation of any offer to purchase or subscribe for, any shares or securities, including any ordinary shares in VIETNAM HOLDING LIMITED (the "Company") in any jurisdiction. Neither this Update, nor any part of it nor anything contained or referred to in it, nor the fact of its distribution, should form the basis of, or be relied on in connection with or act as an inducement in relation to, a decision to purchase or subscribe for or enter into any contract or make any other commitment whatsoever in relation to any such securities. This update does not constitute a recommendation in relation to an investment in the Company. This Update is strictly confidential and may not be copied, distributed or passed on by any recipient. The information contained in this Update has not been verified, is subject to change without notice, updating, revision, further verification and amendment, and no reliance may be placed for any purpose whatsoever on the information contained in this Update or on its completeness. No representation or warranty, expressed or implied, is given by the Company or any of their respective directors, officers, employees, agents or advisers or any other person as to the accuracy or completeness of the information or opinions contained within this Update and no responsibility or liability is accepted for such information or opinions. In particular, no representation or warranty is given as to the achievement or reasonableness of, no responsibility is accepted or undertaken to update or revise, and no reliance should be placed on any forward-looking statements, including projections, targets, estimates or forecasts, and nothing in this Update is or should be relied on as a promise or representation as to the future. The distribution of this Update in certain jurisdictions may be restricted by law. Persons reading this Update must inform themselves about and satisfy any such restrictions and formalities.