

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	380.0 pence
NAV	406.5 pence
	\$5.342
Discount / Premium	-6.5%
Total Net Assets	\$145.0m
Shares in Issue	27m
Portfolio Managers	Vu Quang Thinh Nguyen Hoang Thanh Craig Martin
Investment Manager	Dynam Capital
Ticker	VNH
Website	www.vietnamholding.com

Portfolio

Number of Investments	23	
Median Portfolio Market Cap	\$1,378m	
Foreign Ownership Limit Stocks*	38.1%	
Thematic Exposure		
Industrialisation	38%	
Domestic Consumption	15%	
Urbanisation	6%	
	2024E	2025F
EPS Growth	26.1%	18.6%
P/E Ratio	12.8	10.4

*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)	15 Year (CAGR)
Vietnam Holding NAV	3.9%	18.9%	5.4%	13.0%	9.7%	10.0%
Vietnam All Share Index (VNAS)	3.8%	12.2%	-3.6%	7.4%	6.4%	3.9%

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: Building resilience and seizing opportunities

As Typhoon Yagi dominated the news in August, the resilience of the people of Vietnam was again recognised around the world. The ways in which the government and society at large responded to the flood-hit communities in the north of the country made headlines. However, the devastating storms also put the need for climate transition risk planning under the spotlight. While the government's various green initiatives, including the Power Development Plan 8 (PDP8) to phase out coal power by the 2040s, are encouraging, there still are many pockets of opportunities for Vietnam to strengthen its climate resilience, for example, through embracing further energy renewables, leveraging circular approaches to decarbonisation or making best use of open-source solutions offered by digital technologies. The green and digital transformations are crucial to economic growth today and, as they accelerate, the interconnectedness of the two is where we see great potential for both businesses and policy makers, as well as foreign investors. From advancing nature-based solutions to smart city innovations, technology can propel Vietnam's strategies for meeting its environmental and social goals.

It is worth mentioning that back in April two Harvard professors, who were speaking at a Vietnamese delegation discussion titled 'Multiple Crises and Prospects for Economic Growth to 2030', said Vietnam's resilience is one that "few can rival". The professors praised the country's efforts to develop technological solutions for the challenges ahead, including a digital deforestation-free business ecosystem and a pilot programme testing the approach to replacing coal used in the cement industry with non-recyclable plastic.

Vietnam managed to prove strong economic resilience in August, despite the extreme weather. Its PMI surged to a near record high with the index of industrial production (IIP) rising 9.5% year-on-year (YoY) and the manufacturing sub-sector IIP increasing 10.6% YoY.

As the sustainable recovery of global demand continued, Vietnam reached a US\$19.1 bn trade surplus and ongoing solid new orders, reported by S&P Global's PMI report, suggest that production and exports could continue growing further throughout the second half of 2024 (2H2024).

Vietnam's stock market also managed great strides in August, making a significant rebound following the sharp correction that global volatility sparked earlier in the month. A weaker dollar and the expected Fed rate cuts supported this positive sentiment, and although the VNIndex stayed flat for the year, the earnings outlook steadily improved again for a third consecutive month.

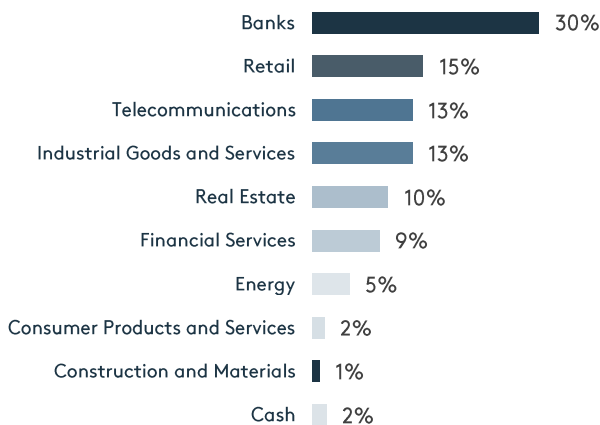
VNH's NAV per share was up +3.9% in August with the outperformance of Retails, Financials and Telecoms. While most sectors made positive gains, VNH increased positions in Retails, Financial Services, and Banks with an expectation that these will continue to benefit from the stronger recovery of the economy in 2H2024. The Fund remains underweighted in Residential Property and overweight in FPT, which is a model company when it comes to corporate responsibility and embedding environmental, social and governance (ESG) into all it does. The company has been applying various measures to minimise its environmental impact by reducing energy consumption and greenhouse gas emissions, such as monitoring 100% of energy usage data and replacing 100% of office waste bags with recyclable materials, while ensuring all employees receive annual training on environmental protection policy. See their recent [ESG report](#) as an exemplary sustainability journey for Vietnam corporates, and also our recent [webinar recording](#) where the company expands more on their approach to AI and Semiconductors.

The UK's *Daily Telegraph* recently featured the Fund, [see here](#). We thank all shareholders for their continued trust and support.

Top 10

Investments	NAV %	% +/-	Manager Comment
FPT Corp	13.3	6.4%	7M24 revenue and profit growing at 20% YoY, driven by Global IT services (+30% YoY). 2024PE of 27.1x
Mobile World Corp	8.4	11.0%	7M24 revenue grew 15% YoY, driven by grocery chain BHX's sales growth (+40% YoY) while ICT sales grew 6% YoY. 2024PE of 22.9x
Techcom Bank	6.2	1.9%	2Q24 credit growth of 14.2% YTD, with a credit quota of more than 20% YoY in 2024. 2024F PB 1.1x
MB Bank	5.6	3.4%	New credit quota of 18% YoY assigned by the SBV, could push credit growth to 20-25% YoY in 2024. 2024F PB 1.2x
VP Bank	5.5	1.2%	2Q24 credit growth of 10.2% YTD; supporting a distressed bank, allowing it to expand the book in 2024. 2024F PB 1.0x
Asia Commercial Bank	5.2	2.5%	With 2Q24 robust credit growth of 12.8% YTD, strong growth momentum is expected to continue in 2H24. 2024F PB 1.2x
PV Technical Services	5.0	2.0%	The company recently awarded a USD550mn EPC contract for 'Block B', a large-scale gas project. 2024PE of 16.x
Gemadep	4.9	2.1%	Gemalink set a monthly record throughput volume of ~178k TEU. 2024PE of 14.7x
IDICO Group	4.5	4.3%	Received the investment registration certificate of Tan Phuoc 1 (470ha, investment cost of USD238mn). 2024PE of 12.1x
SSI Securities Corp	4.2	7.6%	Undertaking a 10% rights issue for current shareholders to raise over USD90mn in fresh capital. 2024PB of 2.1x

Total **62.8**
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 (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	Apex Group (Guernsey)
Custodian	Standard Chartered Bank

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