



Tuan Le
Lead Portfolio Manager

At a Glance

- VEIL declined 0.4% in February, underperforming its reference Vietnam Index by 0.9%, largely due to profit-taking in key holdings such as FPT and MWG.
- Strong performances in the property, steel, and brokerage sectors cushioned some of the impact.
- VEIL completed its participation in the private placement of BIDV for \$89.6mn.

Ten Year NAV Performance



Performance (%)

All reporting on this page is in total return US dollar terms from the last business day in Vietnam unless otherwise stated

	Net Assets / Market Cap	NAV/share	Disc/Prem	YTD	1 Month	3 Months	1 Year	3 Years	5 Years	10 Years
VEIL NAV (USD)	\$1,782.7mn	\$9.79	N/A	0.6	-0.4	2.9	5.0	-20.7	54.4	178.1
VNI (Reference Index)	N/A	N/A	N/A	2.8	1.3	3.8	2.3	-17.7	45.9	128.7
VEIL Share Price (USD)	\$1,356.6mn*	\$7.45	-23.9	-2.8	-1.2	2.0	0.2	-25.0	44.5	N/A
VEIL Share Price (GBP)	£1,078.0mn*	£5.92	-23.9	-3.3	-2.0	3.0	0.7	-20.1	46.5	N/A

*Market capitalisation

Past performance cannot be relied upon as a guide to future performance

Fund Commentary

February saw strong profit-taking in some of VEIL's top holdings, most heavily in FPT and MWG. After large gains in 2024, they experienced foreign net outflows in February of \$52mn and \$25mn, respectively, leading to declines of 10.2% and 4.8%. As part of our routine rebalancing activities in 2024, we had selectively taken profit in FPT and MWG in 2H24. With no change in fundamentals, these names remain key long-term holdings.

In contrast, several of our portfolio holdings outperformed as investors responded positively to government-led reforms. Our brokerage positions, MBS and VCI - both acquired through private placements in mid-2024 and already delivering strong returns - gained momentum on expectations of the potential KRX trading system upgrade in 2025. A modernised trading platform should enhance market liquidity and brokerage revenues, reinforcing our conviction in these holdings. The materials sector also saw a strong rebound, with HPG and HSG rallying, following the MoIT's 28% anti-dumping tariff on Chinese steel imports. Our property holdings DXG and PDR rose as government efforts to resolve regulatory issues gained traction. This progress is central to our property strategy, and we expect further easing to unlock additional growth potential.

VEIL completed a major investment in BID in February, purchasing \$89.6mn in a private placement as an anchor investor. BID is one of Vietnam's largest state-owned banks, with an \$11bn market cap, and has successfully restructured to improve efficiency and profitability. Traditionally focused on corporate lending, BID is now expanding into retail banking, a shift that we believe will enhance earnings growth and drive long-term value creation. This investment aligns with our strategy of backing banks undergoing structural improvements with strong upside potential.

Stock in Focus: Becamex IDC (BCM)

BCM is one of Vietnam's leading industrial park (IP) and urban area (UA) developers, playing a critical role in the country's industrialisation and urban expansion. Its investment appeal lies in its dominant IP market position with a 2,000ha land bank and strategic partnerships, including IP developer VSIP (a JV with Sembcorp), and a 30% stake in BW Industrial. Established with Warburg Pincus, BW is Vietnam's largest logistics and industrial developer, which operates 995ha across 50+ projects. BCM's expansion pipeline includes an additional 1,500ha of IP land, while its involvement in the Binh Duong New City project is set to drive UA land sales. BCM's business model is built on its ability to monetise its land bank through IP and UA land sales, accounting for 85% of 2023 gross profit. The company maintains a solid financial position, with a net debt-to-equity ratio of 1.0x as of 4Q24. BCM has raised its 2025 earnings guidance by 35% to \$150mn (+90% YoY), with real estate expected to contribute 75% of total revenue. The company has already secured 60% of its residential revenue target, while IP sales are projected at 350ha.

Beyond organic growth, earnings from BCM's partnerships are forecast to rise, with VSIP contributing \$75mn (+20% YoY) and BW generating \$12mn, marking a turnaround from zero in 2024. To support growth, BCM plans a public offering of 300 million shares in 2Q25 for debt restructuring and further IP investments. The upcoming capital raise serves as a major catalyst, with its stock already gaining 6.2% MoM in February 2025. As Vietnam continues to attract FDI and expand its manufacturing base, BCM is set to capture the growing demand for industrial infrastructure.

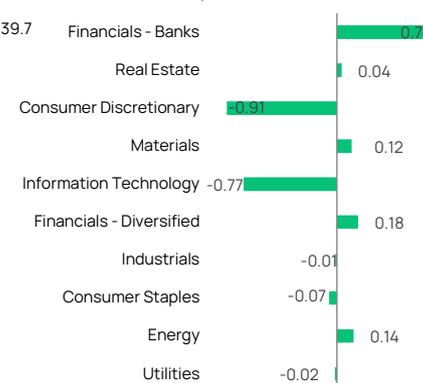
Top Ten Holdings (57.4% of AUM)

Company	Ticker	Sector	VEIL (%)	VNI (%)	CH (%)
Mobile World	MWG	Consumer Disc.	7.7	1.6	-4.8
VP Bank	VPB	Financials (Banks)	6.8	2.8	0.2
FPT Corporation	FPT	Information Technology	6.8	3.8	-10.2
Asia Com. Bank	ACB	Financials (Banks)	6.0	2.1	0.7
Vietcombank	VCB	Financials (Banks)	6.0	9.6	-1.1
Techcombank	TCB	Financials (Banks)	5.5	3.4	3.5
BIDV	BID	Financials (Banks)	5.3	5.2	0.5
Hoa Phat Group	HPG	Materials	5.2	3.3	3.5
Vietinbank	CTG	Financials (Banks)	4.6	4.1	7.2
Khang Dien House	KDH	Real Estate	3.7	0.6	-5.4

Sector Breakdown



Monthly Contribution



Key Indicators

Item	Unit	2020	2021	2022	2023	2024E	2025F
GDP	\$bn	346.6	366.1	408.8	430.0	476.3	529.5
Real GDP Growth	%	2.9	2.6	8.0	5.1	7.1	8.0
Services Growth	%	2.5	1.2	10.0	6.9	7.4	8.9
Agriculture Growth	%	2.8	2.9	3.4	2.6	3.3	5.5
Ind'l and Const'n Growth	%	3.3	4.1	7.8	3.5	8.3	8.7
Retail Sales Growth	%	2.6	-3.8	10.2	8.3	9.0	9.4
Prices							
CPI (Average YoY)	%	3.2	1.8	3.2	3.3	3.6	4.2
Money, FX and Interest Rates							
Money Supply M2	%	14.5	8.9	6.2	12.5	12.7	13.0
Average Lending Rate	%	8.6	8.5	13.7	8.7	8.2	8.7
5-yr VGB	%	1.1	0.9	4.7	1.6	1.4	1.7
VND : \$	\$1	23,085	22,800	23,550	24,250	25,450	26,500
External Sector							
Trade Balance	\$bn	19.9	3.3	12.4	28.0	24.4	23.1
Current Account	\$bn	15.1	-7.8	-1.5	17.4	20.7	19.3
Current Account / GDP	%	4.3	-2.1	-0.4	4.0	4.4	3.6
FDI Registered	\$bn	28.5	38.5	27.7	36.6	35.0	38.0
FDI Disbursement	\$bn	20.0	19.8	22.4	23.2	25.4	28.0
FX Reserves	\$bn	98.0	106.5	85.0	89.0	80.0	80.0
Public Debt Fiscal Balance							
External Debt	\$bn	130.1	138.8	141.2	138.0	140.3	151.0
Government	\$bn	49.0	47.9	48.8	44.4	44.5	47.8
Enterprises (incl. FDI)	\$bn	81.1	90.9	92.4	93.6	95.8	103.2
External Debt (% GDP)	%	37.5	37.9	34.5	30.3	30.3	30.1
Fiscal Balance (% GDP)	%	-3.9	-4.0	-4.0	-3.6	-3.6	-4.2

All forecasts are Dragon Capital estimates

Key Stock Market Data

	HSX		HNX		UPCoM		Total	
	29-Feb-24	28-Feb-25	29-Feb-24	28-Feb-25	29-Feb-24	28-Feb-25	29-Feb-24	28-Feb-25
Market cap (\$mn)	205,622	212,872	12,893	15,078	47,029	60,241	265,544	288,191
Number of stocks	396	392	322	310	870	889	1,588	1,591
Number of large cap stocks (> \$400mn)	71	77	11	11	17	19	99	107
Stocks with no room for foreigners	65	66	94	94	253	274	412	434
Market cap of stocks with no room (\$mn)	29,262	26,707	1,865	3,270	14,827	24,458	45,954	54,435
Share of Market Cap with No Room (%)	14.2	12.5	14.5	21.7	31.5	40.6	17.3	18.9

Top 25 Companies by Market Cap

No	Company	28-Feb Price (VND)	Price YTD (%)	Mkt Cap (\$m)	Wt in VNI (%)	PER			PBV			Yield		
						2023 (x)	2024 (x)	2025E (x)	2023 (x)	2024 (x)	2025E (x)	2023 (%)	2024 (%)	2025E (%)
1	Vietcombank	93,300	2.3	20,402	9.60	15.6	17.3	16.0	2.7	2.6	2.3	-	-	-
2	BIDV	40,950	9.1	11,051	5.20	15.2	13.8	13.5	2.1	1.9	1.8	0.1	-	-
3	Airports Corporation VN	106,200	-15.6	9,045	-	22.1	29.4	22.8	2.9	4.6	3.2	-	-	-
4	Vietinbank	41,500	9.8	8,719	4.10	8.5	8.9	8.1	1.2	1.4	1.3	-	-	-
5	FPT Corporation	140,300	-8.0	8,075	3.80	20.4	31.3	23.7	4.8	7.5	5.8	2.4	1.5	2.5
6	Techcombank	26,100	5.9	7,214	3.40	6.2	8.4	7.5	0.8	1.2	1.1	-	3.0	2.8
7	Hoa Phat Group	28,000	5.1	7,007	3.30	24.3	14.2	11.3	1.6	1.5	1.4	-	-	1.8
8	Vinhomes	41,200	3.0	6,621	3.10	5.6	5.2	5.6	1.0	0.8	0.7	-	0.4	-
9	PV Gas	68,000	-0.1	6,233	2.90	14.2	15.7	16.2	2.5	2.6	2.3	4.1	8.8	4.3
10	Vingroup	41,200	1.6	6,163	2.90	79.1	13.2	30.4	1.5	1.1	1.2	-	0.4	-
11	Masan Consumer	149,000	-16.9	6,129	-	7.6	23.7	18.2	2.1	17.3	6.9	0.4	12.4	5.1
12	VP Bank	19,300	0.5	5,991	2.80	14.5	9.7	7.6	1.1	1.1	0.9	5.2	5.2	3.9
13	MB Bank	23,000	5.4	5,491	2.60	4.7	6.1	5.5	1.0	1.2	1.0	2.3	2.0	-
14	Vinamilk	62,200	-1.9	5,086	2.40	16.9	15.8	15.8	4.2	4.1	4.0	5.8	6.2	6.2
15	Asia Commercial Bank	26,000	0.8	4,544	2.10	5.7	7.0	6.1	1.3	1.4	1.2	3.6	3.4	1.7
16	LienViet Post Bank	36,150	15.7	4,225	2.00	7.2	9.6	9.8	1.2	2.2	2.0	-	-	-
17	Masan Group	67,700	-3.3	3,810	1.80	229.0	50.4	27.0	3.6	3.3	3.1	0.3	1.7	0.3
18	Mobile World	58,300	-4.4	3,334	1.60	370.4	24.0	15.9	2.7	3.2	2.7	1.2	0.8	1.7
19	HD Bank	23,050	-9.6	3,152	1.50	5.6	7.0	5.2	1.3	1.6	1.2	4.3	3.3	-
20	Becamex IDC	75,700	6.8	3,065	1.40	26.5	34.8	31.1	3.5	3.8	3.6	1.3	1.4	-
21	Sacombank	38,250	3.7	2,821	1.30	6.8	6.9	6.1	1.2	1.3	1.1	-	-	-
22	Sabeco	51,500	-7.2	2,584	1.20	18.3	16.8	14.8	3.0	3.1	2.8	4.2	6.5	6.8
23	Binh Son Refining	20,450	-10.3	2,481	1.20	6.5	113.0	36.8	1.0	1.3	1.1	3.8	3.1	3.4
24	VIB	20,750	5.3	2,419	1.10	5.6	8.4	7.3	1.2	1.4	1.3	6.4	5.4	-
25	Vietnam Airlines	27,850	-2.8	2,413	1.10	neg	9.2	10.0	neg	neg	14.0	1.1	0.8	-

All forecasts are Dragon Capital estimates

Fund	Bloomberg	ISIN	LEI	SEDOL	CUSIP	Listed
VEIL	VEIL LN	KYG9361H1092	213800SYT3T4AGEVW864	BD9X204	G9361H109	London (Main Market)

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For UK investors in VEIL: According to an analysis performed on behalf of VEIL by KPMG, VEIL does not meet the definition of an “offshore fund” for the purposes of the Offshore Fund Regulations in the UK. On the basis of this analysis, the Offshore Fund Regulations do not apply to VEIL, and therefore the reporting fund status regime is not relevant to VEIL or its UK investors. Please contact us if you require the full analysis from KPMG.