

# Vietnam Enterprise Investments Ltd (VEIL)

Invest In Vietnam Today, For Your Tomorrow

DRAGON CAPITAL 



# Agenda

01 Tariff Impact on Vietnam GDP and VEIL Portfolio

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02 Domestic Policy Responses and VEIL positioning

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03 Measures to Address Discount: Buybacks and CTO

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# Vietnam Enterprise Investments Limited (VEIL)

## VEIL Key Facts

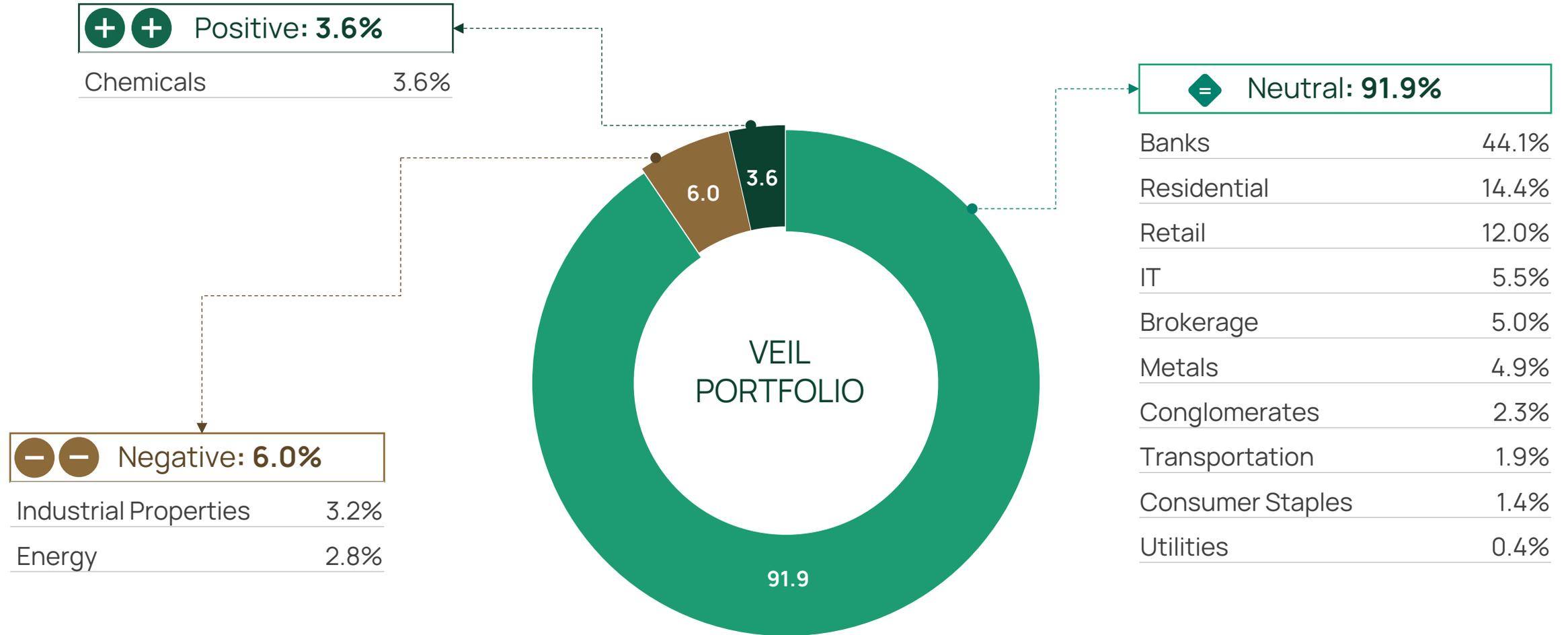
NAV	USD 1,544.7m ~ £ 1,154.5m
Inception	August 1995
Type	Closed-end, long-only
Listed	London Stock Exchange since July 2016; member of FTSE 250
Investment	Listed or pre-listed equity only
Net Returns (£)	10.4% annualised since stock-market inception in 2000
Discount	22.1%
Fees	1.5%
TER	1.8% estimate for 2024
Investment Characteristics	<ul style="list-style-type: none"> <li>▶ Aligning with Vietnam's <b>long-term investment themes</b></li> <li>▶ Long-term capital appreciation on <b>strong conviction</b></li> <li>▶ International best practices in <b>Risk Management</b></li> <li>▶ <b>Balanced and diversified</b> portfolio between large and mid-caps</li> <li>▶ <b>The largest deal/IPO powerhouse</b> in Vietnam</li> </ul>

All data to 22 April 2025

# Tariff GDP Impact: 46% Scenario

	Direct Impact to GDP via DVA in export ratio (\$bn)	% GDP (a)	Indirect Impact to GDP via Consumption (\$bn)	% GDP (b)	Total GDP Impact (a) + (b)
U.S. Demand Loss Impact	-2.4	-0.51%	-1.0	-0.20%	- 0.71%
Supply Relocation Impact	-4.3	-0.91%	-1.7	-0.36%	- 1.27%
<b>Total Impact on GDP</b>	<b>-6.8</b>	<b>-1.42%</b>	<b>-2.7</b>	<b>-0.57%</b>	<b>- 1.99%</b>

# Tariff Impact: 91.9% of Portfolio Unaffected



As of 22 April 2025.

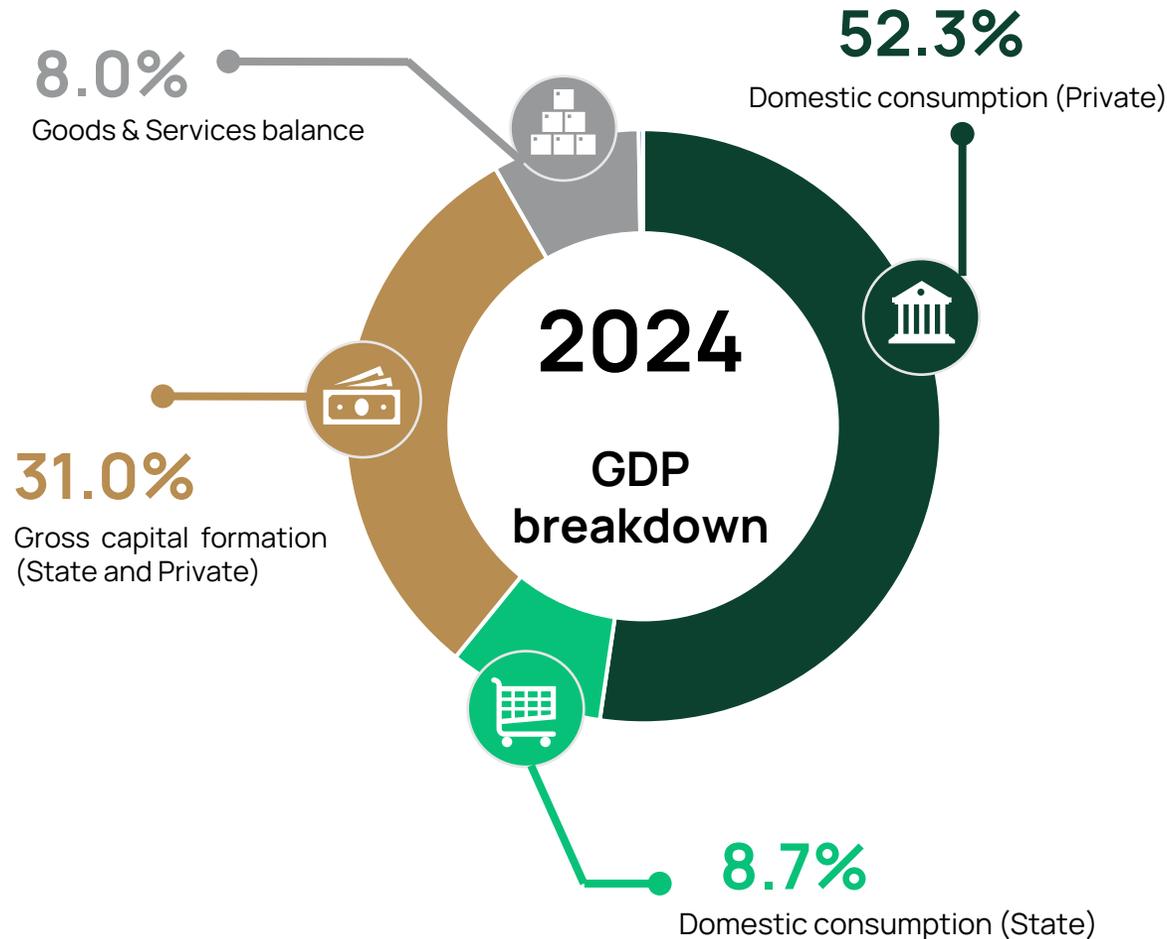
Total includes 1.5% of net cash and accruals.

# VEIL Actions: Pre and Post Liberation Day

	PRE	POST
	<p>Raise cash in anticipation of opportunities amidst market volatility.</p>	<p>Incremental rebalancing where appropriate.</p>
	<p>Take profit from stocks with decent rally in 2024, esp. technology sector.</p>	<p>Opportunistic acquisitions on attractive valuation and upcoming catalysts in transportation and residential sectors</p>
	<ul style="list-style-type: none"><li>• Reduce exposure to industrial property &amp; steel sectors, esp. those with high export exposure to US market.</li><li>• Reduce position in high beta stocks.</li></ul>	

# Domestic Economic Policy: Driving Consumption

Domestic consumption and public investment: **key drivers**



Vietnam's government is well-placed to counter **external shocks** with a range of policy responses

## Measures under consideration



Accelerate infrastructure spending

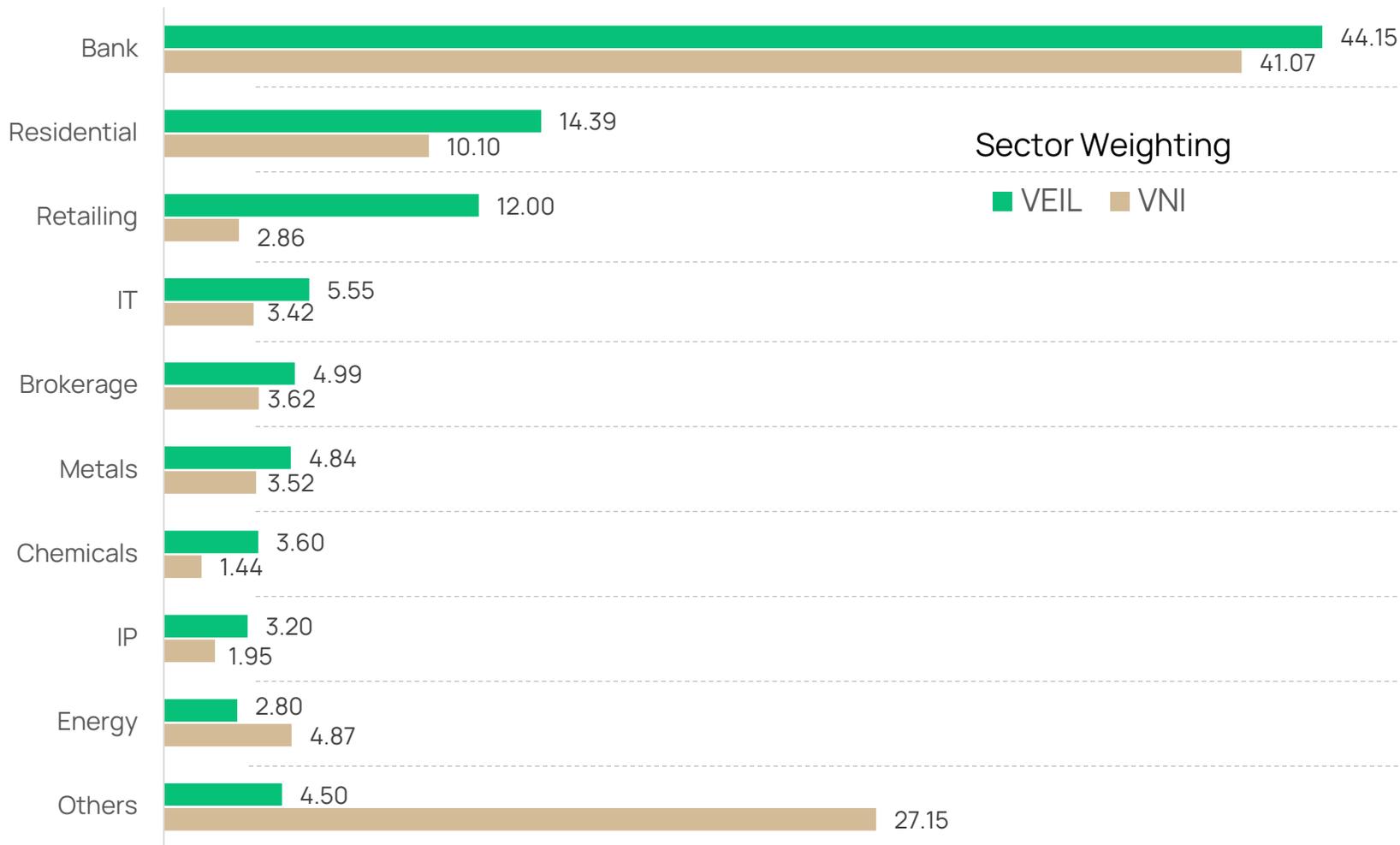


Monetary stimulus to encourage credit demand and consumption



Supporting domestic enterprises

# Portfolio: Positioned For Domestic Growth



Earnings Growth 2024 (%)	Earnings Growth 2025F (%)
19.9	11.0
0.0	30.3
187.0	27.8
21.5	19.2
23.4	-6.4
64.2	26.2
0.8	17.7
-32.6	29.3
-23.8	14.3

DC Top 80 stocks

Forecasts are not guarantees of future performance

# Retail High Conviction: Anchored by Structural Growth

## Long-Term Trends and Near-Term Catalysts



Rapid  
Urbanisation



Middle Class  
Expansion &  
Rising  
Affluence



Monetary  
Easing:  
Possible Rate  
Cuts



Resilient Domestic  
Consumption



	EPS Gr. (%)	PER (x)	PBR (x)	Portfolio Weight (%)	VNI Weight (%)
	2025F				
 MWG	43.9	15.6	2.6	7.8	1.7
 FPT Retail	121.7	30.9	8.5	2.7	0.4
 PNJ	-3.9	12.4	1.8	1.5	0.5

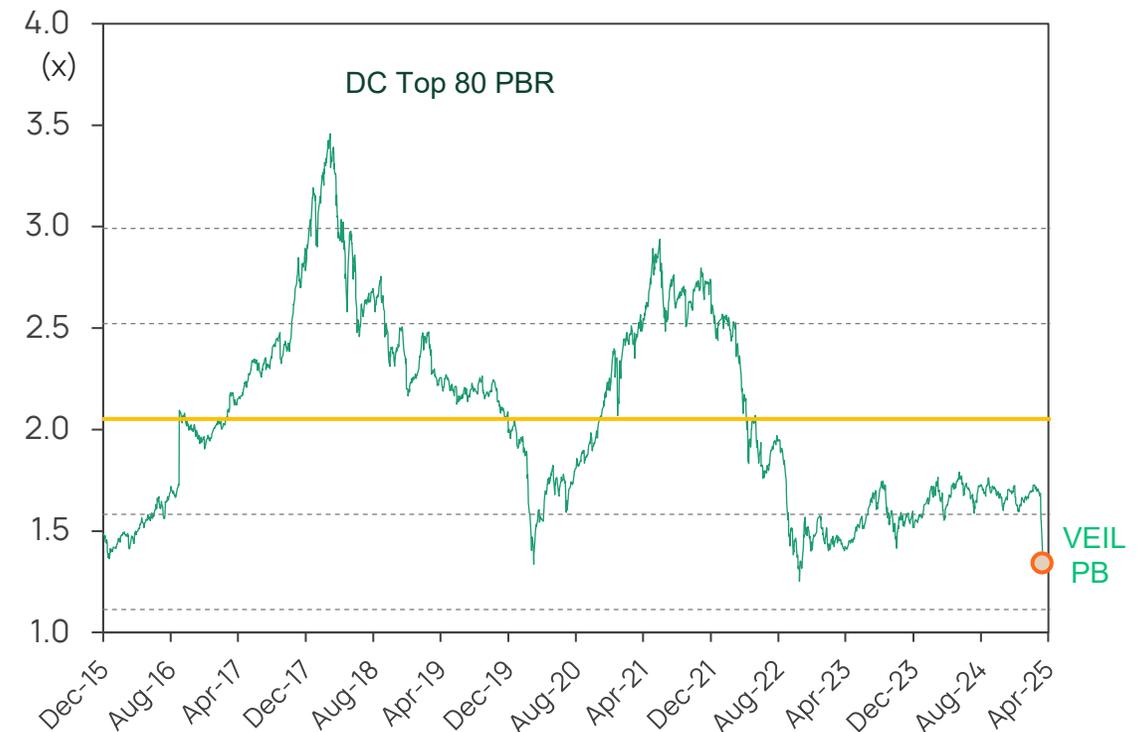
# Market Valuation: Not Reflecting EM Upgrade Potential

Forward Earnings could pull PER to -2 STD below 10-year average

2025F PBR could be even lower than decade-low territory



Source: DC's calculated statistics, Top 80's T12M PER



Source: DC's calculated statistics, Top 80's PBR

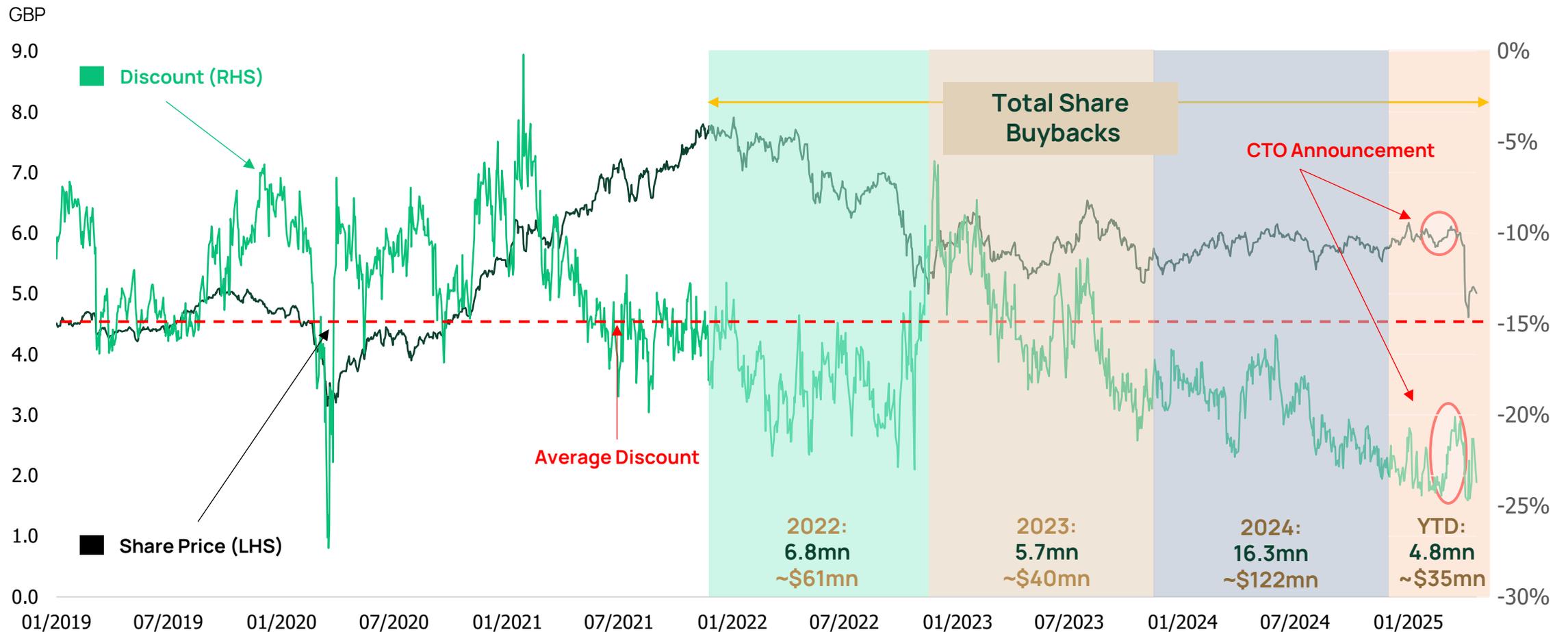
# VEIL: Resilient Earnings at Distressed Valuation

VEIL 22 April 2025		Portfolio wt (%)	Market Cap. (USD bn)	PE (x)	PB (x)	EPS Growth (%)
Company				2025E		
1	Mobile World	7.8	3.3	15.6	2.6	43.9
2	Asia Com. Bank	6.3	4.2	6.0	1.1	7.8
3	Vietcombank	6.1	18.9	15.9	2.1	4.2
4	Techcombank	5.8	6.9	7.6	1.1	12.7
5	FPT Corporation	5.5	6.3	19.0	4.6	19.2
6	VPBank	5.5	5.1	7.2	0.8	16.6
7	BIDV	5.2	9.5	11.9	1.5	5.5
8	VietinBank	4.9	7.7	7.5	1.2	15.6
9	Hoa Phat Group	4.8	6.2	10.1	1.3	31.7
10	Vinhomes	4.3	9.1	5.7	0.9	30.4
	Others	45.3				
<b>VEIL</b>		<b>100</b>		<b>9.7</b>	<b>1.4</b>	<b>16.6</b>
<b>Top 80</b>				<b>9.4</b>	<b>1.4</b>	<b>12.3</b>

Forecasts are not guarantees of future performance

# Active Discount Management: Share Buybacks, CTO

2024: The Board purchased 8.1% of shares outstanding.  
 2025: A further 2.8% (\$35mn) bought back in 2025 (4.8 million shares)



# Conclusion

1

In a worst-case scenario, tariffs could reduce Vietnam's GDP by 1.4%–2%. However, a more moderate outcome remains possible, with domestic stimulus expected to help cushion the impact.

2

VEIL's strategy centres on Vietnam's long-term domestic growth and companies with strong asset quality, now further supported by proactive government policy.

3

VEIL is well positioned to capitalise on key growth catalysts, including upcoming IPOs, domestic stimulus measures, and valuation re-rating from a potential EM market upgrade.

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