

VIETNAM ENTERPRISE INVESTMENTS LIMITED

Release Date: 16 July 2020

INVESTMENT OBJECTIVE

The Fund seeks long-term capital appreciation via holdings in listed and pre-IPO companies. Investment criteria are attractive growth and value metrics, good corporate governance, and alignment with Vietnam's underlying growth drivers. The Fund may also hold equity-linked instruments and private equity. VEIL maintains a broad universe, which includes companies operating and/or listed outside of Vietnam, and it looks to outperform the VN Index on a rolling three-year basis.

MANAGEMENT COMPANY

The Fund is managed by Dragon Capital, which was established in 1994 and is the biggest foreign investor in the Vietnamese stock market. Portfolio manager is Vu Huu Dien who has worked for Dragon Capital for 17 years at various positions including research analyst and portfolio manager. Supporting the manager are two deputy managers, a research team of 10 analysts and an execution team of 2 traders.

STOCK SELECTION

Being a closed ended fund VEIL can invest in more illiquid strategies than open ended peers. This is restricted to a self imposed maximum of 15% NAV and is largely focused on the public offerings (IPO) and privatisations as well as secondary offerings/placements which have historically spent many months on the OTC market and UPCOM (Unlisted Public Companies Market) before full listing on the main board of Ho Chi Minh Stock Exchange or Hanoi Stock Exchange.

FUND INFORMATION

Legal Form	Cayman registered closed-end fund	NAV per Share	US\$5.85 or GBP4.73
Listed	London Stock Exchange (LSE)	Total Net Assets	US\$1,273.75m or GBP1,030.87m
Fund Manager	Dragon Capital Management HK (*)	Issued Shares	217,864,891
Inception Date	11 August 1995	ISIN	KYG9361H1092
Fund Currency	US Dollar (US\$)	Reuters Symbol	LP60078461
Valuation of the Fund	Daily	Bloomberg Symbol	VEIL LN
Administrator & Custodian	Standard Chartered Bank	Management Fee (Effective 1 August 2017)	(a) 2.00% per annum on the first US\$1,250,000,000 of the Net Asset Value; and (b) 1.75% per annum on the portion of the Net Asset Value in excess of US\$1,250,000,000 and less than or equal to US\$1,500,000,000; and (c) 1.50% per annum on the portion of the Net Asset Value above US\$1,500,000,000.
Auditor	KPMG Limited	Trading	Traded on the LSE
Use of Profits	Dividend reinvested	Clearing	CREST
Legal Entity Identifier (LEI)	213800SYT3T4AGEVW864	Settlement	CREST Participant ID: 393 (UK Equity) BIC Code: JEFFGB2X
Benchmark	VN Index / MSCI EM Index / VN 30 Index	Quotation	Daily in Financial Times/LSE direct feed VEIL LN

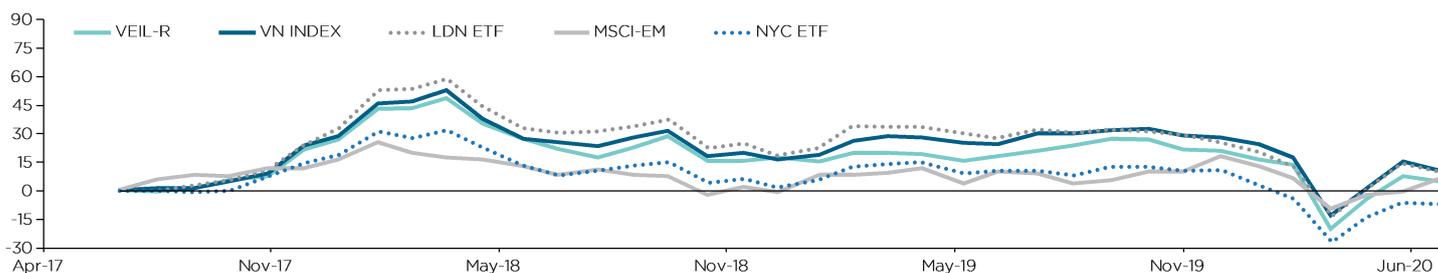
(*) Enterprise Investment Management Limited is the investment manager on record, but has delegated some of the investment management responsibilities to Dragon Capital Management (HK) Ltd. Information specific to UK investors in VEIL: Based on analysis undertaken on behalf of the fund by KPMG, they state that they consider that 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 the Offshore Fund Regulations do not apply to VEIL and therefore the reporting fund status regime is not relevant to the fund or its UK investors. Please contact a member of the client group if you require the full report from KPMG.

FUND STATISTICS

Data/Ratio	VEIL	VNI	Data/Ratio	VEIL	VNI
Annualised return (%)	1.59	3.35	Sharpe Ratio	-0.01	0.06
Minimum (%)	-29.50	-26.00	Treynor Ratio (%)	-0.23	1.54
Maximum (%)	19.46	17.07	Jensen's Alpha	-1.77	0.00
Stand Dev (%)	26.73	25.80	Information Ratio	-0.26	-
Tracking Error (%)	6.68	-	Beta	1.00	1.00
Active Share Measure (%)	56.81	-	Premium/ Discount (%)	-12.24	-

All calculations based on 36 historic monthly time weighted returns of the portfolio. Data annualised.

FUND PERFORMANCE



Disclaimer

This document is issued by Dragon Capital Markets Limited on behalf of Dragon Capital Management (HK) Limited ("Dragon Capital") for the information of shareholders in the Dragon Capital Funds and other eligible recipients. This is neither a prospectus nor an offer or invitation to apply for shares and neither this document nor anything contained herein shall form the basis of any contract of commitment whatsoever. This document is not for use by any persons other than such professional or wholesale investors (as that term is defined and varied in each relevant jurisdiction). The information contained in this document is for background purposes only and is subject to updating, revision and amendment, and no redocument or warranty, express or implied, is made, and no liability whatsoever is accepted by Dragon Capital or any other person, in relation thereto. Any investment must be made on the basis of the prospectuses of the Dragon Capital Funds alone and this document may only be distributed to those eligible to receive those prospectuses. Investors are shareholders in the Dragon Capital Funds and not customers of Dragon Capital. Past performance is not necessarily a guide to the future. The value of shares in the Dragon Capital Funds and the income derived there from may go down as well as up. You are advised to exercise caution in relation to this document. If you are in any doubt about this document or any information contained in this document, you should obtain independent professional advice. All rights reserved. The information contained in this document is strictly confidential and is intended only for the use of the individual or entity to whom Dragon Capital have provided the report. No part of this report may be divulged to any other person, distributed, resold and/or reproduced without the prior written permission of Dragon Capital.

DRAGON CAPITAL MARKETS LIMITED
c/o 1501 Me Linh Point,
2 Ngo Duc Ke
District 1, Ho Chi Minh City
Vietnam

T +84 28 3823 9355
F +84 28 3823 9366
veil@dragoncapital.com
www.veil-dragoncapital.com

VIETNAM ENTERPRISE INVESTMENTS LIMITED

Release Date: 16 July 2020

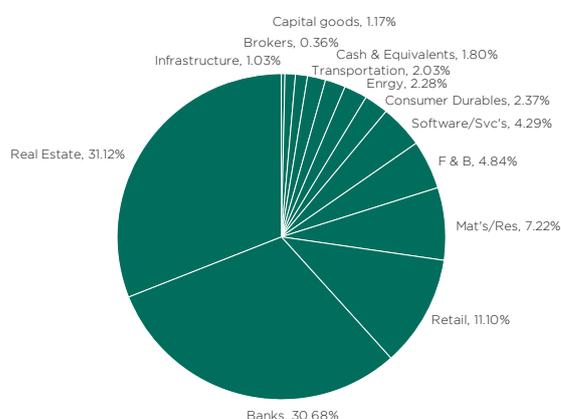
PERFORMANCE

All in US\$ - %	1 Month	3 Months	YTD	1 Year	3 Years	5 Years
VEIL	-2.5	30.9	-13.5	-11.1	4.8	63.0
VN Index TR	-4.1	27.1	-13.8	-11.3	10.5	47.1

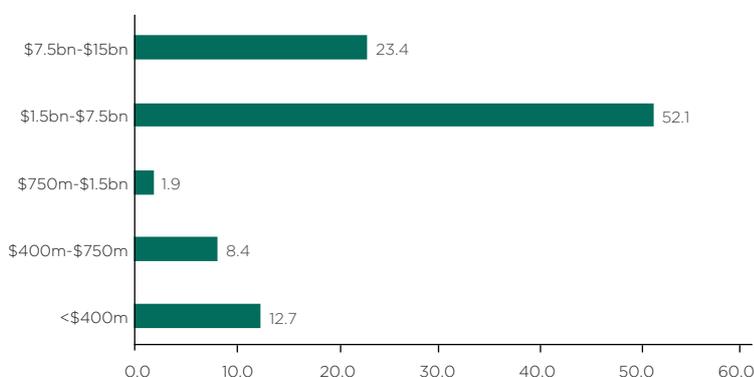
TOP 10 HOLDINGS

Name	Ticker	Sector	NAV (%)	Name	Ticker	Sector	NAV (%)
1 Vinhomes	VHM	Real Estate	9.34	6 Khang Dien House	KDH	Real Estate	5.98
2 Mobile World	MWG	Retail	9.18	7 FPT	FPT	Software/Services	4.29
3 ACB	ACB	Banks	8.00	8 Military Bank	MBB	Banks	4.24
4 Vietcombank	VCB	Banks	7.56	9 Vinamilk	VNM	F & B	4.12
5 Hoa Phat	HPG	Materials/Resources	7.22	10 VPBank	VPB	Banks	3.20

SECTOR ALLOCATION



MARKET CAP DISTRIBUTION



PERFORMANCE ATTRIBUTION

Vietnam's equity market took a breather in June after the 2-month rebound following the bottom of the market in March. The VN Index fell 4.1% whilst VEIL fared slightly better, falling 2.5%. The 1.6% outperformance in June also helped the fund edged ahead of its reference benchmark on a YTD basis by 0.3%. The rare bright spot this month was Khang Dien House (KDH, +5.8%), the only top-10 stock that posted a positive performance. On the downside, VPBank (VPB) 12.1% drop was the most notable for being the only double-digit drop this month in the top-10. Among its top holdings, ACB's practically flat return for the month was also noteworthy.

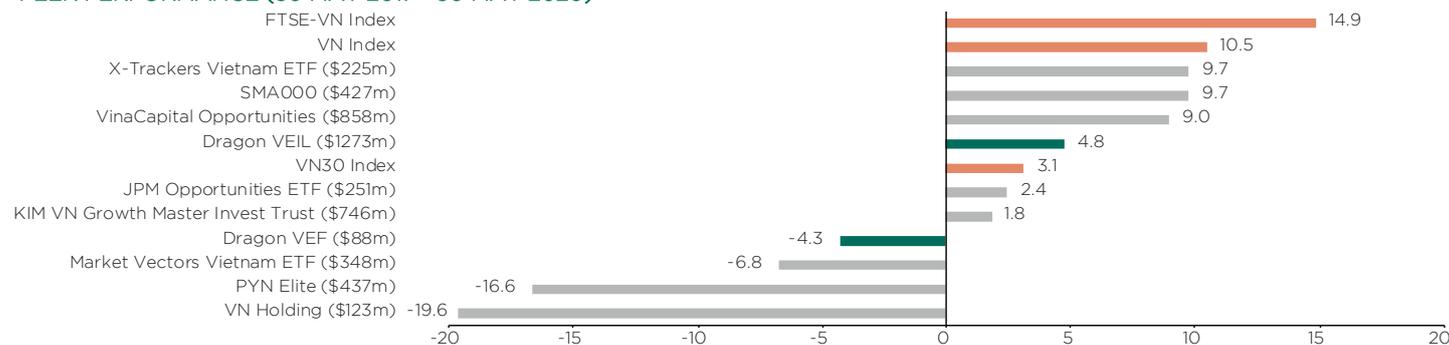
DRAWDOWNS

Over the past 5 years, there has been only one drawdown of over 10%, in November 2012 and a drawdown of 10% in September 2015. In one of the worst months for equities in the past 2 and a half years, January 2016, there was a drawdown of 9%.

BORROWING

VEIL's board has approved borrowing of up to 10% of NAV or US\$100m, whichever is the lower. As at this date, VEIL has a facility of US\$100m in place though none is currently being drawn down. The purpose of borrowing is to facilitate the short-term cash management of VEIL.

PEER PERFORMANCE (30 MAY 2017 - 30 MAY 2020)



Source: Bloomberg

Disclaimer
This document is issued by Dragon Capital Markets Limited on behalf of Dragon Capital Management (HK) Limited ("Dragon Capital") for the information of shareholders in the Dragon Capital Funds and other eligible recipients. This is neither a prospectus nor an offer or invitation to apply for shares and neither this document nor anything contained herein shall form the basis of any contract of commitment whatsoever. This document is not for use by any persons other than such professional or wholesale investors (as that term is defined and varied in each relevant jurisdiction). The information contained in this document is for background purposes only and is subject to updating, revision and amendment, and no redocument or warranty, express or implied, is made, and no liability whatsoever is accepted by Dragon Capital or any other person, in relation thereto. Any investment must be made on the basis of the prospectuses of the Dragon Capital Funds alone and this document may only be distributed to those eligible to receive those prospectuses. Investors are shareholders in the Dragon Capital Funds and not customers of Dragon Capital. Past performance is not necessarily a guide to the future. The value of shares in the Dragon Capital Funds and the income derived therefrom may go down as well as up. You are advised to exercise caution in relation to this document. If you are in any doubt about this document or any information contained in this document, you should obtain independent professional advice. All rights reserved. The information contained in this document is strictly confidential and is intended only for the use of the individual or entity to whom Dragon Capital have provided the report. No part of this report may be divulged to any other person, distributed, resold and/or reproduced without the prior written permission of Dragon Capital.

DRAGON CAPITAL MARKETS LIMITED
c/o 1501 Me Linh Point,
2 Ngo Duc Ke
District 1, Ho Chi Minh City
Vietnam
T +84 28 3823 9355
F +84 28 3823 9366
veil@dragoncapital.com
www.veil-dragoncapital.com