VinaCapital

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VinaCapital Vietnam Opportunity Fund (VOF) — Monthly Report - June 2026

Lead Portfolio Manager
Khanh Vu

Overview: VOF is a FTSE 250 constituent and a closed-ended listed investment company whose shares trade on the Main Market of the London Stock Exchange (LSE: VOF). Since inception[3], it has delivered an annualised NAV total return of 11% in USD terms.

Objective: VOF invests in the best opportunities across Vietnam's public and private markets, applying private equity principles to construct a differentiated portfolio designed to outperform the FTSE Vietnam All-Share Index over the long term.

Outreach: Please e-mail us if you would like to arrange a call with the Portfolio Manager.

Online: VinaCapital will be hosting a webinar on 23 July at 9am BST to provide a mid-year review of Vietnam's economy, capital markets and investment outlook. To attend, please register here.

Portfolio

GBP 701.0m
USD 927.4m
Net Asset Value

Holdings

24 Listed Companies
7 Private Companies
with 56% of NAV in Top-10 Holdings

Price And NAV Summary

	GBP	USD
NAV Per Share:	5.80	7.67
Net Asset Value (mn):	701.0	927.4
Share Price:	4.60	6.09
Market Capitalization (mn):	556.1	735.8
Premium/(Discount):	-20.6%	-20.6%

GBP/USD exchange rate as of 30 June 2026: 1.3230
GBP/USD exchange rate as of 31 May 2026: 1.3419
Source: Bloomberg

Compounding Growth - NAV

9.5% in GBP
9.4% in USD
10-Year Annualised Total Return terms

Long-term Share Price Performance

10.7% in GBP
10.7% in USD
10-Year Annualised Total Return terms

Key Metrics[1]

	VOF	VN Index
2026 Forward PER (x)	10.1	13.1
2026 Forward EPS Growth (%)	19.2	15.7
Beta	0.64	1.00

1. Based on monthly total return, USD terms in 5 years; risk-free rate is the 5-year G-bond yield. VOF is benchmark agnostic in portfolio construction; index figures are for reference only.

Share Buyback - Last 12 Months

GBP 67mn
USD 90mn
Equivalent to 11% of Outstanding Shares

Share Buyback - Since Inception

GBP 502mn
USD 693mn
Equivalent to 63% of Outstanding Shares

Cumulative Total Returns[2] (%)

	1M	CYTD	1Y	3Y	5Y	10Y	Since[3] Inception
Share Price (£)	1.1	-0.5	11.9	15.5	8.3	176.4	969.9
NAV/Share (£)	1.6	-1.3	13.7	11.4	9.6	147.2	1,250.0
NAV/Share ($)	0.3	-2.9	9.5	15.8	5.1	146.4	909.8
VN Index ($)	0.3	5.2	36.5	57.2	25.6	202.6	1,017.5
FTSE VN All-Share ($)	-0.1	1.5	40.2	64.0	17.2	174.0	N/A

2. Inclusive of dividend distributions
3. 31/12/2003

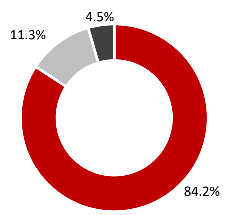
Dividends - Last 12 Months

GBP 11.00p
USD 14.50c
The only Vietnam fund to pay dividends

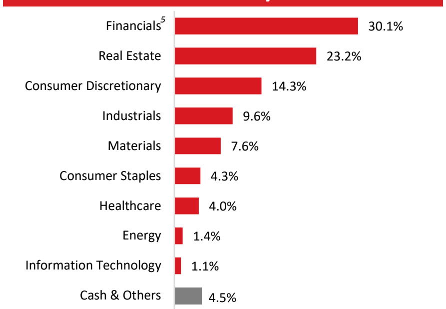
Dividends - Since Inception

GBP 155mn
USD 200mn
First dividend declared in 2017

NAV By Asset Class



NAV Allocation By Sector[4]



4. Based on Global Industry Classification Standards (GICS)
5. Financials include Banks (23.9%) and Non-Banks (6.2%)

Dividends Yield

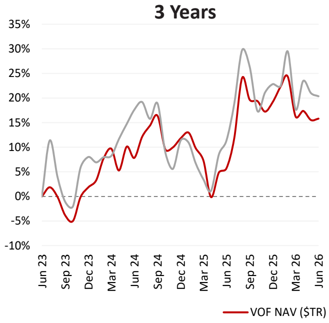
2.4% on Share Price
2.0% on NAV per Share
Annual yield, paid out twice per year

Total Capital Returned

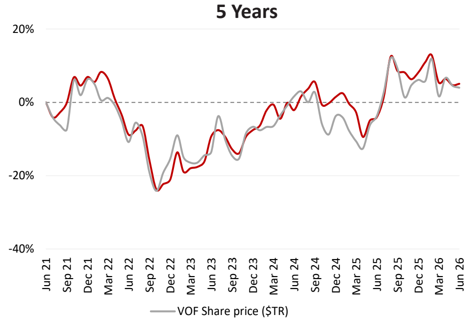
GBP 657mn
USD 893mn
Consistently returned capital to shareholders since 2011

NAV Performance

3 Years

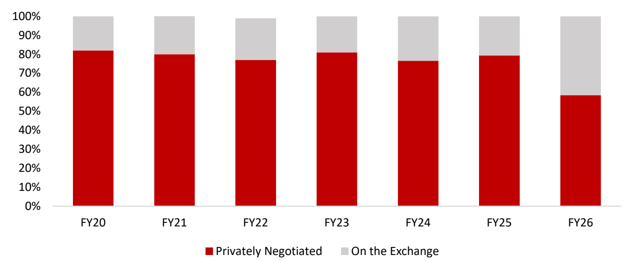


5 Years



NAV By Entry Method

% NAV by Entry Method



Note: Financial Year ending 30 June

Top 10 Holdings

Company (Ticker)	Sector (GICS)	Market Cap. (USD bn)	NAV	1M Price Change	Why We Own
Vinhomes (VHM)	Real Estate	23.9	7.2%	1.1%	Proven megaproject execution, quality land bank, strong sales culture
Mobile World (MWG)	Consumer Discret.	4.4	6.6%	2.4%	Market leader, proven modern trade retailer, integrated logistics
Khang Dien House (KDH)	Real Estate	0.9	6.5%	-4.2%	Urban landbank, prudent balance sheet, disciplined project delivery
MB Bank (MBB)	Financials	7.8	6.4%	0.8%	Strong retail and corporate franchises, leading digital platform
Gemadept (GMD)	Industrials	1.2	6.1%	1.8%	Strategic position of key ports, capacity expansion as catalyst
Phu Nhuan Jewelry (PNJ)	Consumer Discret.	1.2	5.6%	-4.3%	Market leader, efficient inventory management, wide distribution
Hoa Phat Group (HPG)	Materials	7.5	5.0%	-2.9%	Market leader, cost-competitive advantage due to vertical integration
KIDO Group (KDC)	Consumer Staples	0.6	4.3%	0.0%	Staples food ecosystem with trusted brands and nationwide distribution
Asia Commercial Bank (ACB)	Financials	5.0	4.3%	5.6%	Best-in-class asset quality, prudent risk oversight, strong SME franchise
Thu Cuc Hospital (Private)	Healthcare	Private	4.0%	Private	Trusted brand with a strong clinic network in the north of Vietnam
Top 10 Holdings			**55.9%**		

Portfolio Manager's Commentary

"The impediment to action advances action. What stands in the way becomes the way." - Marcus Aurelius, *Meditations*

Financial Year 2026 (FY2026), which concluded on 30 June, marked a year of transformation for the Fund. Over the past 12 months, we repositioned the portfolio to capture Vietnam's next phase of economic growth, refreshed the investment team structure, and revised the fee framework. These initiatives are intended to enhance performance and support sustainable long-term returns to shareholders.

Positive Performance

VOF's NAV increased 0.3% in June, bringing FY2026 NAV USD total return ($TR) to 9.5%. Financials, real estate and industrials were the principal contributors to performance, while the consumer sector, including our IT holding, was the primary detractor.

FY2026 was characterised by resilient portfolio performance despite a market environment where returns were heavily concentrated in a small number of large-cap stocks. The Fund benefited from strong contributions from several core holdings while continuing to reposition the portfolio towards businesses we believe are best placed to benefit from Vietnam's next phase of economic growth and imminent upgrade to Emerging Markets status by FTSE.

Share Price and Discount Management

VOF's share price increased 11.9% in GBP terms during FY2026, although the Fund continued to trade at a material discount to NAV. The challenging environment for London-listed investment trusts, combined with persistent foreign capital outflows from Vietnam (which were driven by higher US interest rates and investor preference for AI-related opportunities in developed markets) kept demand weak and the discount elevated throughout the year.

The Board and Investment Manager remain committed to an active capital management programme, with share buybacks continuing to play an important role in enhancing shareholder value. During FY2026, the Fund repurchased more than USD90 million of shares, bringing cumulative buybacks since inception to over USD690 million.

Over the longer term, we believe the most sustainable way to narrow the discount is through consistent performance, reflected in the NAV growth, and by providing shareholders with access to proprietary investment opportunities not available on the public markets. As demand for this differentiated access grows, we believe it will support a more sustained narrowing of the Fund's discount.

The Stock Market: Look Beyond the Headlines

While the VN Index delivered a 36.5% $TR and reached multiple record highs during FY2026, headline performance masked a much narrower market. Returns were heavily concentrated within the Vingroup ecosystem, with Vingroup (parent company, VIC) alone appreciating over 300% and contributing 26.5 percentage points to the Index's gain. Excluding VIC, the broader market returned approximately 10%.

This concentration is also reflected in market valuations. While the VN Index trades at around 13x forward earnings, excluding VIC reduces the market multiple to approximately 10x. More importantly, nearly two-thirds of listed companies continue to trade below 10x forward earnings—valuations more typically associated with periods of economic stress than an economy growing at one of the fastest rates in Asia.

Market liquidity also deteriorated during FY2026, with average daily trading value falling by around 50% from the c.USD1 billion levels seen over the previous 12–24 months. Persistent foreign selling, together with higher domestic deposit rates of 7–8%, deposit rates of over 7-8% meant that many investors chose to put money into bank deposits which invariably reduced participation in the stock market from local retail investors, and exacerbated by continuing foreign selling activities. As a result, short-term market movements were increasingly event driven off thin liquidity conditions rather than based on fundamentals.This created attractive opportunities for us to deploy capital into high-quality businesses at compelling valuations.

Against this backdrop, Vietnam's economic fundamentals remain exceptionally strong. GDP grew by 8.2% in the first half of 2026—the highest first-half growth rate in more than 20 years—while listed corporate earnings continued to increase by around 15–18%. We believe this disconnect between strong economic fundamentals and subdued market valuations presents a compelling investment opportunity. As market participation broadens beyond the Vingroup ecosystem, we expect a wider range of fundamentally strong businesses to benefit, supported by Vietnam's anticipated Emerging Market upgrade in September, easing global monetary conditions, and improving geopolitical stability.

In contrast, our portfolio combines attractive valuation with superior earnings growth. It trades at approximately 10x forward earnings while offering expected earnings growth of around 20%, implying a PEG ratio of approximately 0.5—a compelling combination of value and growth.

Positioning VOF for Vietnam's Next Growth Phase

FY2026 demonstrated the value of our active portfolio management as we repositioned the portfolio to capture Vietnam's next phase of economic growth while continuing to deliver positive returns for shareholders. Our investment strategy remains anchored around the four structural pillars that we believe will underpin this next phase of economic expansion:

- Foreign direct investment
- Emergence of the middle class
- Infrastructure development
- Industrialisation and modernisation

These structural themes continue to guide our capital allocation decisions across both public and private markets and underpin our confidence in Vietnam's long-term investment opportunity.

Positioning the portfolio for these opportunities required one of the most active years in VOF's history. During FY2026, we transacted USD843 million of investments, including USD472 million of disposals and USD371 million of new investments, with the remaining capital allocated to share buybacks and dividends. Portfolio turnover reached 39%, well above our historical single-digit average.

This activity reflected a deliberate repositioning rather than a change in our investment strategy. As Vietnam's economy evolves through domestic reforms and structural growth, new investment opportunities emerge while others become less compelling. We therefore reallocated

Portfolio Manager's Commentary (continued)

capital towards businesses with higher quality of earnings growth or attractive valuations and improved liquidity.

Sector Re-positioning

Alongside the portfolio repositioning, we reorganised our investment team into four dedicated sector teams: Financials, Real Estate, Consumers, and Industrials. Each team is responsible for identifying and managing opportunities across both public and private markets within its sector, strengthening accountability, deepening sector expertise, and better aligning with VOF's opportunistic investment approach. Below is a review of each sector's activity:

Financials (30% NAV)

Financials represented our most active area of investment during FY2026, with more than USD375 million of investments and divestments. We reduced long-held positions in Asia Commercial Bank (15% $IRR) and VPBank (17%), while increasing exposure to MB Bank (32%), VietinBank (23%), BIDV (8%) and Vietcombank (3%). Capital was reallocated towards banks with stronger funding franchises, higher CASA ratios, lower funding costs, and higher ROE (average 16.7%). These banks are also well positioned to support Vietnam's next investment cycle through diversified loan books and strong corporate franchises.

We also increased exposure to non-banks, specifically to leading securities brokerages, through SSI Securities (42% $IRR), Techcom Securities (5%) and VietCap (2%), reflecting our expectation that an imminent Emerging Market upgrade will drive higher trading activity, liquidity, and capital market issuance.

Importantly, three investments were sourced through proprietary negotiated transactions, including private placements at large discounts to market price and a pre-IPO investment. These opportunities provided attractive entry valuations, immediate NAV accretion, and the potential for superior long-term returns without compromising liquidity. Despite improving fundamentals, our banking holdings trade at an average P/B of 1.43x, while many continue to trade below both their historical valuation multiples and those of their peers.

We believe the sector remains attractively valued and well positioned to benefit from accelerating credit growth, capital market development, and Vietnam's next investment cycle that proritises infrastructure projects and large domestic champions.

Consumers (24% of NAV)

Consumer demand remained subdued throughout much of FY2026. Households continued rebuilding savings depleted during the pandemic, while higher interest rates and inflation—exacerbated by rising energy prices following the US–Iran conflict—weighed on discretionary spending. At the same time, the recovery has become increasingly K-shaped, with higher-income consumers recovering more quickly than lower-income households.

Against this backdrop, we began exiting selected investments, including Chicilon, while increasing exposure to our highest-conviction holdings, including Mobile World (MWG). MWG is well positioned to benefit from premium consumption trends and the continued modernisation of Vietnam's retail sector. Operating performance has remained strong, with MWG reporting a 76% year-on-year increase in first-quarter 2026 earnings.

We also continued reducing our position in FPT Corporation, which we classify within Consumer sector. Although the investment generated a 22% $IRR over our nine-year holding period, we believe advances in artificial intelligence are reshaping the competitive dynamics of the IT services industry. Our decision to realise gains began well before the recent AI-driven market enthusiasm impact on FPT, and reflects our disciplined approach to capital allocation.

We continue to favour businesses with strong brands, leading market positions, and exposure to higher-income consumers whose spending has proven more resilient.

Real Estate (23% of NAV)

Activity within real estate focused on portfolio rotation and restructuring legacy private investments. Vinhomes, an investment initiated six years ago, was the largest contributor to sector and fund performance, appreciating 91% during FY2026. Elsewhere, we trimmed our long-held position in Khang Dien House (10% $IRR) and redeployed capital into Nam Long Group (NLG), whose focus on affordable housing better aligns with Vietnam's structural housing demand. Although near-term performance has been affected by elevated interest rates and weaker residential pre-sales, we remain confident in NLG's long-term investment case and have deepened our engagement by supporting the appointment of a new Board representative in NLG.

We also completed the restructuring of our Dat Xanh Services investment into Dat Xanh Group (the parent company with higher liquidity), enabling a mark-to-market valuation. Subsequent to year-end, we received partial proceeds relating to the sale of the Novaland swap asset and are progressing the restructuring of the remaining receivable into an instrument capable of a mark-to-market valuation with a clear medium-term path to liquidity. For Hung Thinh Land, we agreed a restructuring of our investment that enhanced our security and collateral position while establishing a clearer repayment plan going forward.

As financing conditions improve, we expect the sector's earnings recovery to broaden, particularly among developers with strong balance sheets and exposure to affordable housing.

Industrials (19% of NAV)

Within Industrials, we continued upgrading portfolio quality by exiting businesses in more mature growth phases while initiating positions with stronger structural growth drivers.

We fully exited Airports Corporation of Vietnam (ACV) following a successful ten-year investment that generated an 18% $IRR and where we secured this opportunity through a privitisation process. While ACV continues to benefit from significant competitive advantages, we believe substantial capital expenditure associated with Long Thanh International Airport, together with unproven utilisation, is likely to weigh on returns over the medium term.

Conversely, we established a new position in Gemadept, Vietnam's leading deep-sea port operator. We believe the company is well positioned to benefit from Vietnam's growing integration into global supply chains, supported by capacity expansion at its flagship ports. The investment has already generated a 15% return since initiation in Q4.

We also participated in the pre-IPO investment of Gelex Infrastructure, where VOF was the only institutional investor to secure an allocation through a privately negotiated transaction. Vietnam's government is targeting spending of 6-7% of GDP annually to accelerate infrastructure investment, and we believe the company is well positioned to benefit from this long-term structural theme.

We expect continued public investment and Vietnam's expanding role in global supply chains to support long-term growth across the sector.

Revised Fee Structure to Enhance Shareholder Alignment

On 29 June, we announced a revised fee structure designed to strengthen alignment with shareholders while reducing the Fund's ongoing cost base.

The new fee structure introduces a lower management fee, effectively reducing the base fee to 1.0% based on the Fund's current net assets—around 30 basis points lower than the previous fee. The performance fee has also been redesigned around a more demanding benchmark, with relative performance measured against the FTSE Vietnam All-Share Index over rolling five-year periods.

Together, these changes reduce the overall costs, place greater emphasis on sustained long-term outperformance, and further align the interests of the Investment Manager with those of our shareholders. The revised arrangement takes effect from 1 July 2026, with transitional provisions applying during the first four years.

Details about the revised fee arrangements are available in the RNS.

Insights Into Vietnam's Economy

Chief Economist

Michael Kokalari, CFA

Vietnam's International Financial Centre isn't meant to compete with global financial hubs. Its purpose is to channel foreign capital into Vietnam, helping close an estimated USD1.5 trillion funding gap for industrialization. Managed well, it can serve as a beachhead for broader financial and economic reform — lowering Vietnam's cost of capital and widening the range of available financial products.

Latest Insights Report June Macro Report

Board of Directors		VinaCapital Investment Management Ltd	
VOF's Board of Directors is composed entirely of independent non-executive directors:		Investment Manager's senior management team:	
Name	**Role**	**Name**	**Role**
Kathryn Matthews	Non-executive Chairman	Don Lam	Group CEO
Julian Healy	Non-executive Director	Brook Taylor	Group COO
Peter Hames	Non-executive Director	Alex Hambly	Group CIO
Hai Trinh	Non-executive Director	Tuan Ngo	Group Head of Investments
Charlotta Ginman	Non-executive Director	Khanh Vu	VOF Lead Portfolio Manager

Fund information	
LEI	2138007UD8FBBVAX9469
ISIN	GG00BYXVT888
Ticker	VOF

Fund summary	
Fund Launch	30 September 2003
Term of Fund	Five years subject to shareholder vote for liquidation (next vote to be held by December 2028)
Fund Domicile	Guernsey
Investment Manager	VinaCapital Investment Management Ltd, with sub-delegation to VinaCapital Fund Management JSC an entity regulated by the State Securities Commission of Vietnam
Joint Corporate Brokers	Barclays Bank PLC, Deutsche Numis
Management and Incentive Fee (Effective From 01 July 2026)	A tiered management fee structure: - 1.2% on the first USD500 million of net assets; - 0.8% on net assets between USD500 million and USD1.5 billion; and - 0.5% on net assets above USD1.5 billion. The incentive fee is calculated on rolling five-year performance compared with the market-based performance benchmark, FTSE Vietnam All-Share Index. The incentive fee will be calculated each year at a rate of 3 basis points for each 100 basis points of performance relative to the market-based performance benchmark. In the event of underperformance, fees will be clawed back at the same 3 basis points rate, subject to a maximum clawback of 0.2% of NAV. There will be no carry forward of performance fees. The Investment manager must use 25% of any incentive fee paid to buy VOF shares via open market purchases, subject to a minimum holding period of 5 years. Transition arrangements are in place for the first four years under the new fee structure.
ESG	VinaCapital's Responsible Investment Policy, alongside details of VOF's ESG Reporting and Voting, and other publications are available on the Company's website.

Important Information

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