VIETNAM ENTERPRISE INVESTMENTS LIMITED (VEIL)

DRAGON CAPITAL

August 2026

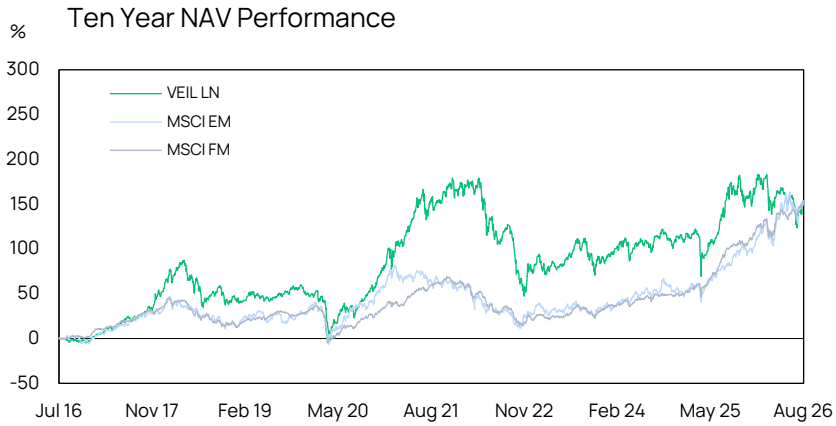


Tuan Le
Lead Portfolio Manager

At a Glance

- VEIL's NAV rose 7.5% in August against the VN-Index's 6.6%, led by banks, retail and residential developers, which outweighed our underweight in VIC.
- PNJ rose 37.0% after police findings cleared the company itself and we stopped selling; DMX, bought in its August IPO, ended at 1.8% of NAV.
- FTSE's first inclusion tranche lands on 21 September with Vietnam's weight raised to 0.49%; the portfolio trades at 10.2x FY26 P/E on 29.5% EPS growth.

Ten Year NAV Performance



Performance (%)

All reporting on this page is in total return US dollar terms to 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)	$1,410.8mn	$11.48	N/A	-5.2	7.5	-2.5	-6.8	22.5	2.3	155.1
VNI (Reference Index)	-	N/A	N/A	5.1	6.6	0.2	12.4	46.2	31.3	181.9
VEIL Share Price (GBP)	£909.4mn*	£7.40	-12.53	-6.9	5.3	-4.5	-0.4	22.3	6.8	159.99

**Market capitalisation*

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

Fund Commentary

VEIL's NAV rose 7.5% in August, ahead of the VN-Index's 6.6%, taking the year-to-date return to -5.2% against the index's +5.1%. All sectors rose positively in August. Foreign net selling across all three exchanges shrank to $52mn from a year-to-date monthly average of about $500mn, the Dong held firm and FTSE Russell lifted Vietnam's weight in its Emerging All Cap index to 0.49% from 0.33%. VIC (+11.1%) supplied more than a third of the VN-Index gain.

Banks, Retail and Residential were the largest contributor in the month. TCB (+16.3%), VPB and MBB led the banks as overnight rates fell below 2%. Our mid-cap developers rose while VHM was flat; we took profit in VHM after this year's run, reducing our largest property holding by 1.7 points of NAV. PNJ rose 37.0% after the Thanh Hoa police found that two former subsidiary employees acted alone and PNJ's imports were fully compliant; we have stopped selling. We bought DMX in its IPO; the position ended August at 1.8% of NAV. Holding half the index weight in VIC cost 0.47 points; we regard the shares as expensive and accept the near-term cost.

The first FTSE tranche on 21 September brings an estimated $220mn of passive demand, the first of roughly $2bn over the phasing to September 2027, and with foreign selling already fading we expect the flows to broaden beyond the heavyweights. The economy is delivering positively. Industrial production grew 14.4% YoY and public investment reached 50.5% of plan while realised FDI of $17.3bn is running 12% ahead of last year. Top-100 earnings grew 34.8% YoY in the first half against our full-year forecast of 20.9%, so the forecast can be achieved with much slower second-half growth. Inflation near 5% and deposit rates staying high would limit monetary policies, so support will come through execution and reform, including the amended Land Law and Securities Law due in October. The portfolio, at 10.2x FY26 PER on 29.5% EPS growth, is already priced for that.

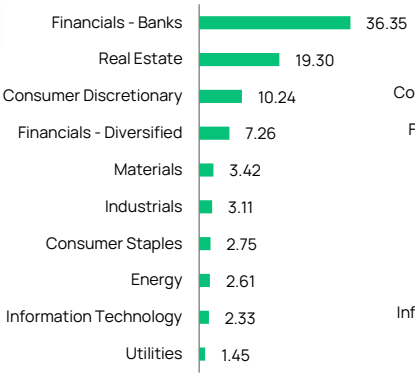
Stock in Focus: VPBank (VPB)

VPBank (VPB) is one of Vietnam's largest private-sector banks and, with VCB and BID, one of only three Vietnamese banks qualifying for the FTSE All-World and FTSE Emerging large and mid-cap indices from 21 September. Second-quarter results showed the bank can fund rapid growth in a tight market. Customer loans grew 23.0% YTD on 16.7% growth in customer deposits, against median peer loan growth of 8.6%, and pre-tax profit reached a record $417mn in 2Q (+76.3% YoY) despite higher funding costs. Asset quality improved too with the consolidated NPL ratio declining 30bps QoQ to 3.28% and coverage rising to 56.2%. Two catalysts follow. FTSE inclusion implies an estimated $9.7mn of passive demand in the first tranche and $96.8mn cumulatively. A second catalyst is VPB's planned private placement of 624.4mn shares to one foreign institution, following its 26.04% bonus issuance. The sale is due in the second half. The new shares represent 5.9% of post-deal capital and would lift charter capital to about $4.0bn. We forecast 2026 NPATMI of $1.15bn (+25.5% YoY), which puts the shares on 7.2x 2026E P/E and about 1.1x 2026E P/B for an ROE recovering to about 16.7%, and our sum-of-the-parts value implies roughly 45% upside. The risk is that rapid credit growth produces fresh NPLs while funding costs stay high, holding ROE below the level a premium multiple requires.

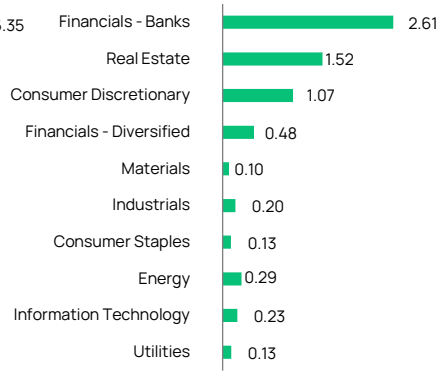
Top Ten Holdings (55.5% of AUM)

Company	Ticker	Sector	VEIL (%)	VNI (%)	MoM (%)
Vingroup	VIC	Real Estate	11.2	20.7	11.1
Mobile World	MWG	Consumer Disc.	7.0	1.3	8.2
BIDV	BID	Financials (Banks)	6.6	3.2	4.5
Vietcombank	VCB	Financials (Banks)	6.3	5.7	2.2
VP Bank	VPB	Financials (Banks)	4.8	2.5	13.0
Vinhomes	VHM	Real Estate	4.5	6.8	-0.6
Techcombank	TCB	Financials (Banks)	4.1	2.7	16.3
Vietinbank	CTG	Financials (Banks)	3.8	2.8	4.6
Hoa Phat Group	HPG	Materials	3.7	2.1	2.7
Asia Com. Bank	ACB	Financials (Banks)	3.5	1.5	4.3

Sector Breakdown (%)



Monthly Contribution (%)



Key Indicators

Item	Unit	2021	2022	2023	2024	2025E	2026F
GDP	$bn	366.1	408.8	430	476.3	514	561.8
Real GDP Growth	%	2.6	8	5.1	7.1	8	9.3
Services Growth	%	1.2	10	6.9	7.4	8.6	9.5
Agriculture Growth	%	2.9	3.4	2.6	3.3	3.8	4
Ind'l and Const'n Growth	%	4.1	7.8	3.5	8.3	9	10.5
Retail Sales Growth	%	-9.1	21.5	10.4	9.3	9.9	14
Prices							
CPI (Average YoY)	%	1.8	3.2	3.3	3.6	3.3	4.6
Money, FX and Interest Rates							
Money Supply M2	%	8.9	6.2	12.5	12.7	15	11
Average 12M Deposit Rate	%	6.0	8.0	5.0	5.0	5.8	6.3
5-yr VGB	%	0.9	4.7	1.6	1.4	3.3	3.5
VND:$	$1	22,920	23,730	24,420	25,551	26,227	26,150
External Sector							
Trade Balance	$bn	3.3	12.1	28.4	24.9	20.1	-13
Current Account	$bn	-8.1	1.4	25.8	30.5	34.5	40.0
Current Account / GDP	%	-2.2	0.3	6.0	6.4	6.7	7.1
FDI Registered	$bn	38.9	29.3	39.4	38.2	38.4	55
FDI Disbursement	$bn	19.8	22.4	23.2	25.4	27.6	31
FX Reserves	$bn	107.4	84.7	90.4	81.2	83.6	90
Public Debt, Fiscal Balance							
External Debt	$bn	138.8	141.2	138	140.3	151.0	168.54
Government	$bn	47.9	48.8	44.4	44.5	47.8	50.0
Enterprises (incl. FDI)	$bn	90.9	92.4	93.6	95.8	103.2	118.54
External Debt (% GDP)	%	37.9	34.5	30.3	30.3	29.4	30.0
Fiscal Balance (% GDP)	%	-4.0	-4.0	-3.6	-3.6	-4.2	-4.0

All forecasts are Dragon Capital estimates

Key Stock Market Data

	HSX		HNX		UPCoM		Total	
	31-Aug-25	31-Aug-26	31-Aug-25	31-Aug-26	31-Aug-25	31-Aug-26	31-Aug-25	31-Aug-26
Market cap ($m)	276,568	338,990	15,861	18,367	55,786	51,515	348,215	408,872
Number of stocks	391	405	303	299	889	818	1,583	1,522
Number of large cap stocks (> $400m)	86	86	11	11	20	18	117	115
Stocks with no room for foreigners	61	55	101	132	290	438	452	625
Market cap of stocks with no room ($m)	28,223	7,595	2,584	3,304	20,907	25,536	51,714	36,434
Share of Market Cap with No Room (%)	10.2	2.2	16.3	18.0	37.5	49.6	14.9	8.9

Top 25 Companies by Market Cap

No	Company	31-Aug Price (VND)	Price YTD (%)	Mkt Cap ($m)	Wt in VNI (%)	PER			PBV			Yield		
						2024 (x)	2025 (x)	2026E (x)	2024 (x)	2025 (x)	2026E (x)	2024 (%)	2025 (%)	2026E (%)
1	VinGroup	236,000	39.2	70,233	20.70	13.0	115.2	57.5	1.1	8.9	10.2	0.4	0.2	-
2	Vinhomes	73,000	22.3	22,991	6.80	5.0	11.7	10.0	0.8	2.1	2.0	0.4	0.2	-
3	Vietcombank	60,100	5.4	19,253	5.70	17.0	15.6	14.2	2.6	2.1	1.9	-	0.8	-
4	BIDV	36,850	2.4	10,989	3.20	13.1	11.8	11.4	1.8	1.6	1.5	0.0	1.2	-
5	Viettel Global Investment	88,300	24.7	10,304	-	49.1	23.2	24.4	8.0	5.3	-	0.4	1.9	-
6	VietinBank	31,950	-9.3	9,514	2.80	8.7	8.8	6.9	1.3	1.5	1.2	-	0.9	-
7	Techcombank	33,400	-2.3	9,074	2.70	8.1	10.1	8.5	1.2	1.5	1.3	3.0	2.9	2.4
8	VPBank	27,800	-1.2	8,456	2.50	9.2	9.3	7.3	1.0	1.3	1.1	5.2	1.8	4.2
9	MBBank	21,050	4.5	8,126	2.40	5.8	7.5	6.4	1.1	1.4	1.2	2.1	1.0	-
10	PetroVietnam Gas	84,200	16.3	7,789	2.30	15.2	15.7	14.2	2.6	2.6	2.8	8.7	2.9	4.3
11	Masan Consumer	143,000	-18.8	7,168	2.10	22.6	34.3	24.9	16.5	12.7	8.3	12.4	1.2	1.8
12	Hoa Phat Group	22,100	-6.2	7,154	2.10	13.9	12.9	6.8	1.5	1.5	1.2	-	0.0	2.1
13	Airports of Vietnam	42,300	-13.5	5,810	-	29.1	18.0	19.1	4.6	2.5	1.9	-	0.0	-
14	LienViet Post Bank	49,950	26.5	5,721	1.70	8.5	10.3	11.5	1.9	2.5	2.5	-	6.0	-
15	Sacombank	75,500	30.2	5,457	1.60	6.9	18.4	22.2	1.3	1.8	2.2	-	-	-
16	Vinpearl	77,600	-17.6	5,335	1.60	-	153.4	32.5	-	4.6	3.4	-	-	-
17	HDBank	27,800	-6.4	5,335	1.60	7.0	9.0	6.4	1.6	2.0	1.4	3.3	-	-
18	Binh Son Refining and Petrochemical	26,600	67.1	5,107	1.50	110.8	15.3	5.1	1.3	1.3	1.6	3.1	-	1.6
19	Asia Commercial Bank	22,650	9.5	5,041	1.50	6.5	7.8	7.2	1.3	1.3	1.2	3.4	3.6	1.4
20	Vinamilk	62,300	5.1	4,992	1.50	14.1	14.7	13.2	3.7	4.0	4.1	6.2	8.8	7.0
21	FPT Corp	73,200	-22.5	4,811	1.40	30.3	18.2	12.5	7.3	4.4	3.0	1.5	2.8	4.3
22	Techcom Securities	40,800	5.2	4,340	1.30	23.8	18.9	17.1	3.5	2.4	2.3	1.3	-	-
23	Mobile World Investment	75,000	-13.8	4,244	1.30	23.3	18.3	10.5	3.1	4.0	2.7	0.8	1.1	1.3
24	Masan Group	70,200	-8.8	3,931	1.20	50.4	27.1	11.3	3.3	3.2	2.3	1.7	0.8	-
25	Vietjet Air	125,000	-22.3	3,686	1.10	38.6	53.3	307.6	3.2	4.6	4.7	0.1	-	-

All forecasts are Dragon Capital estimates

Fund	Bloomberg	ISIN	LEI	SEDOL	CUSIP	Listed
VEIL	VEIL LN (GBP)	KYG9361H1092	213800SYT3T4AGEVW864	BD9X204	G9361H109	London (Main Market)
VEIL	VEID LN (USD)	KYG9361H1092	213800SYT3T4AGEVW864	BP4YTQ1	G9361H109	London (Main Market)

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