

## AFC VIETNAM FUND UPDATE

<b>Fund Category</b>	Vietnam Public Equities
<b>Country Focus</b>	Vietnam
<b>Subscriptions</b>	Monthly at NAV (five business days before month end)
<b>Redemptions</b>	Monthly at NAV 30 days notice
<b>Benchmark</b>	VN Index
<b>CIO</b>	Vicente Nguyen
<b>Investment Manager</b>	Asia Frontier Capital (Vietnam) Limited, Cayman Islands
<b>Investment Advisor</b>	Asia Frontier Investments Limited, Hong Kong
<b>Fund Base Currency</b>	USD
<b>Minimum Investment</b>	USD 10,000
<b>Subsequent Investments</b>	USD 1,000
<b>Management Fee</b>	1.8% p.a. of NAV
<b>Performance Fee</b>	12.5% p.a. of NAV appreciation with high watermark
<b>Fund Domicile</b>	Cayman Islands
<b>Launch Date</b>	23 December 2013
<b>Custodian Bank</b>	Viet Capital Securities, Ho Chi Minh City
<b>Auditor</b>	Ernst & Young, Hong Kong
<b>Administrator</b>	Trident Fund Services, Hong Kong
<b>Legal Advisor</b>	Ogier, Hong Kong
<b>ISIN</b>	KYG0133A1673

### Contact Information

**Asia Frontier Capital Ltd.**  
www.asiafrontiercapital.com

Mr. Andreas Vogelsanger, CEO  
Asia Frontier Capital (Vietnam) Limited  
Tel: +66 84435 7472, Fax: +852 3904 1017  
av@asiafrontiercapital.com

Registered Office:  
c/o Ogier Global (Cayman) Limited  
89 Nexus Way, Camana Bay  
Grand Cayman KY1-9009,  
Cayman Islands

Hong Kong Office:  
Asia Frontier Investments Limited  
1805, 18/Floor, Hing Yip Commercial Centre  
272-284 Des Voeux Road Central, Sheung Wan  
Hong Kong

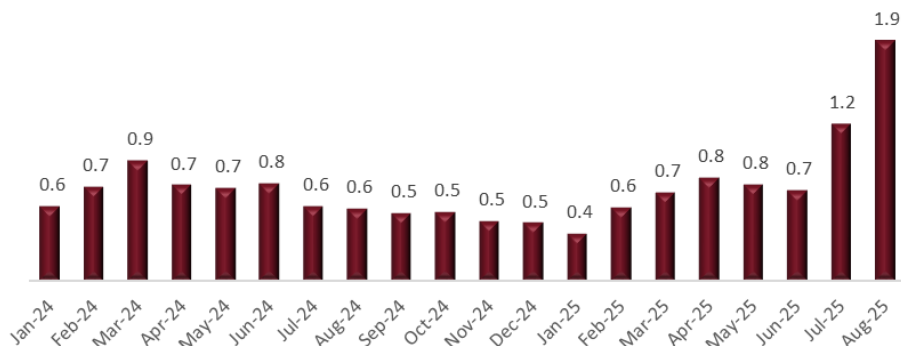
As of August 2025, Vietnam's stock market has staged a strong resurgence, with the VN-Index reaching a new all-time high of 1,682.21 points, up 11.3% in USD terms, driven by robust liquidity. The banking sector, which makes up over 40% of the index, has been a key driver of this rally, with the AFC Vietnam Fund allocating approximately 23% of its portfolio to the sector. The AFC Vietnam Fund recorded a more modest gain of 3.6%, lifting its NAV to USD 3,740 per share, based on internal estimates.

### VN-Index Reached a New All-Time High in August 2025



(Source: Vietcap Securities)

### Daily Stock Market Turnover (USD bn)



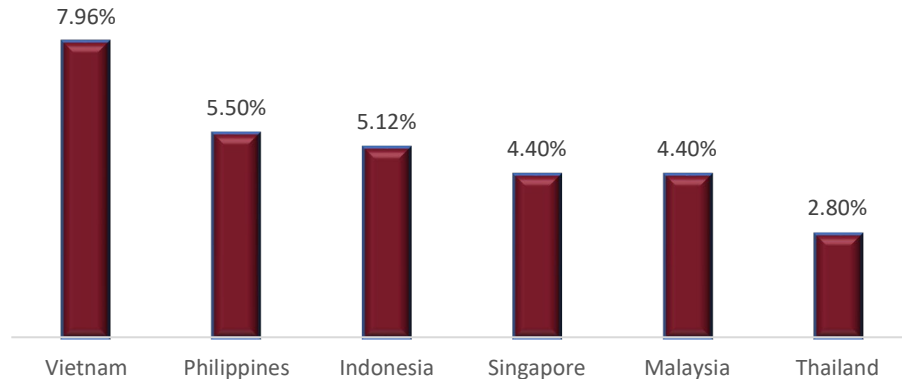
(Source: HOSE, AFC Research)

### Market Developments

This liquidity boom, evidenced by daily trading values reaching almost USD 2 bn, has been driven by the Vietnamese government's accommodative monetary policy. In the first seven months of 2025, credit growth surpassed 10%, injecting more than USD 60 bn into the economy and supporting robust GDP growth of 7.52% in the first half of the year (7.96% in Q2 2025). Building on this momentum, the government has raised its 2025 GDP target to 8.3–8.5%, reaffirming Vietnam's position as the fastest-growing economy in the ASEAN region. Looking further ahead, authorities have set even more ambitious targets of 10% GDP growth for both 2026 and 2027. Reflecting this optimism, analysts at major stock brokerage firms now project that the VN-Index could advance to 1,800 points in the coming months if these targets are achieved.

# AFC VIETNAM FUND UPDATE

Vietnam is the Fastest-Growing Economy in ASEAN in Q2-2025

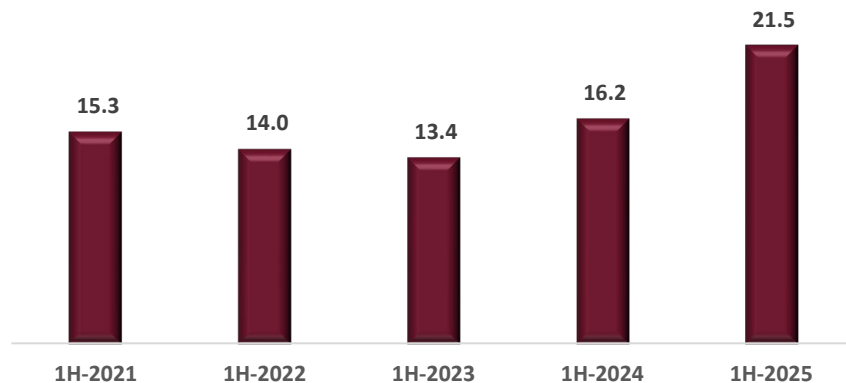


(Source: Bloomberg)

## Vietnam sees record FDI inflows

Vietnam's economic vitality is further reinforced by a record-breaking surge in foreign direct investment (FDI). In the first six months of 2025, total FDI registrations rose 32.6% year-on-year to USD 21.5 bn, according to the General Statistics Office (GSO). Singapore and China together accounted for 48% of this inflow, reflecting a broader trend of production shifts to Vietnam amid the ongoing U.S.-China trade tensions. This trend is particularly visible in Ho Chi Minh City, where an increasing number of Chinese-speaking investors and employees are establishing businesses and factories. Hoang Quan Corporation, for instance, reported that all available industrial park lots were sold to Chinese firms within just six months. Such robust FDI momentum highlights long-term confidence in Vietnam as a premier investment destination, laying the foundation for sustained growth into the next decade.

FDI (USD bn)



(Source: GSO, AFC Research)

## Era of Infrastructure Investment

Vietnam has entered a new era of large-scale infrastructure development. At the Opening Ceremony in Hanoi on 19<sup>th</sup> August 2025, the government officially unveiled 250 projects worth USD 48 bn. The program, equivalent to 13% of GDP, is designed to sustain 8–8.5% growth despite global headwinds such as potential U.S. tariffs of up to 20%. Of this total, USD 18 bn will be state-funded—covering projects like the Rach Mieu 2 Bridge—while USD 30 bn will come from private and foreign investment, including high-profile developments such as the Saigon Marina.

## AFC VIETNAM FUND UPDATE

In the near term, this infrastructure wave is expected to lift GDP by 0.5–1% through enhanced connectivity. Longer term, it dovetails with Vietnam’s administrative restructuring, reducing 63 provinces to 34, necessitating major projects such as the USD 15–20 bn North-South Expressway, which will cut travel times dramatically (e.g., Hanoi–Da Nang from 30 to 12 hours). The World Bank estimates such connectivity could add 1–2% to annual GDP growth. As a result, companies in the public investment sector stand to benefit significantly in the coming years.

Opening Ceremony in Hanoi on 19 August 2025



(Source: vnexpress)

### MultiBillion USD IPOs on the Horizon

After three years of stagnation, Vietnam’s IPO market is reigniting with multi-billion-dollar offerings set to attract significant global attention and capital inflows. These IPOs are expected to broaden market depth, enhance liquidity, and strengthen Vietnam’s appeal to foreign investors. Notable upcoming deals include:

- TCB Securities (TCBS) – Scheduled for 2025–2026, offering 231.15 m shares at VND 46,800 each, valuing the securities firm at USD 4–5 bn.
- Thế Giới Di Động/Điện Máy Xanh (MW) – Targeting a 2030 IPO, with ambitions to double 2025 profits and sustain 15% annual growth, supported by its commanding 50–60% retail market share.
- Bách Hóa Xanh (BHX) – Also planning a 2030 listing, aiming for USD 10 bn revenue and 15,000 stores, leveraging Vietnam’s USD 60 bn FMCG market.

These high-profile listings signal a new wave of capital market development, offering both scale and opportunity for long-term investors.

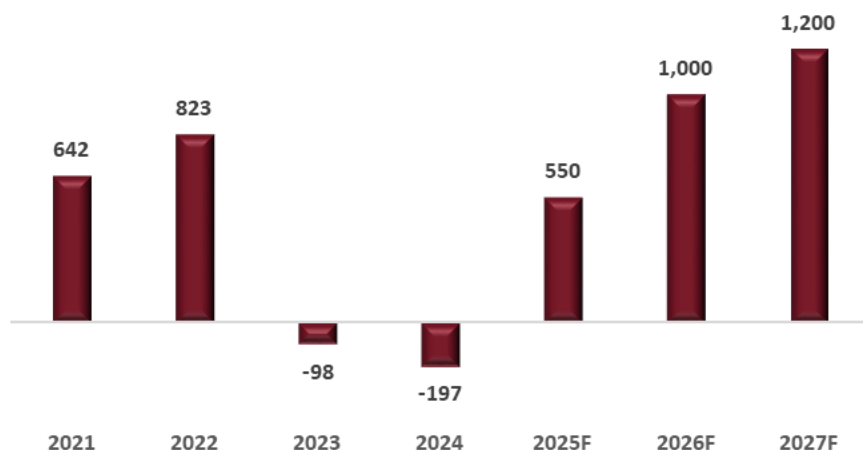
### MPC, Vietnam’s “King of Shrimp,” Stages a Comeback

Minh Phu Corporation (MPC), Vietnam’s largest shrimp exporter with annual revenues of USD 500–600 m, is making a strong return after two years of losses. Following a successful restructuring, cutting costs and shifting toward high-margin products,

## AFC VIETNAM FUND UPDATE

the company posted a profit of VND 179 bn in the first half of 2025, up sharply from VND 40 bn a year earlier. CEO Lê Văn Quang now forecasts profits of VND 500–600 bn in 2025, VND 1,000 bn in 2026, and VND 1,200 bn in 2027, underscoring a robust recovery that could bolster Vietnam's investment appeal.

**Net Profit of MPC (VND bn)**



(Source: Vietstock, MPC, AFC Research)

### Economy

Macroeconomic Indicators				
	2022	2023	2024	Jul-25
GDP	8.02%	5.05%	7.00%	7.52%
Industrial production (YoY)	7.7%	3.0%	8.4%	8.6%
FDI disbursement (USD bln)	22.4	23.2	24.8	13.6
Exports (USD bln)	371.9	355.5	404.0	262.4
Imports (USD bln)	360.7	327.5	377.0	252.3
Trade balance (USD bln)	11.2	28.0	27.0	10.2
Retail sales (YoY)	19.80%	9.60%	8.80%	9.30%
CPI (YoY)	3.15%	3.25%	3.78%	3.26%
VND	23,663	24,261	25,488	26,350
Credit growth (YoY)	12.9%	13.5%	12.0%	10.0%
Foreign reserves (USD bln)	90	96	96	96

(Source: GSO, VCB, State Bank, AFC Research)

# AFC VIETNAM FUND UPDATE

## Subscription

The next subscription deadline is 24<sup>th</sup> September 2025. If you need assistance with the subscription process, please email Andreas Vogelsanger at [av@asiafrontiercapital.com](mailto:av@asiafrontiercapital.com).

Best regards,

AFC Vietnam Fund

### NAV as of 31<sup>st</sup> August 2025

NAV	3,740*
Since Inception	+274%*
Annualised Return	+11.9%*
Inception Date	23/12/2013

### Monthly Performances AFC Vietnam Fund

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013	USD												+2.37%	<b>+2.37%</b>
2014	USD	+8.75%	+4.50%	+2.18%	-4.65%	-0.32%	+1.45%	+1.86%	+5.49%	+3.87%	+2.83%	+2.50%	+0.60%	<b>+32.50%</b>
2015	USD	+0.44%	+1.76%	-0.96%	+1.93%	-0.48%	+0.06%	+0.22%	-4.57%	+1.18%	+6.90%	-1.82%	+0.25%	<b>+4.62%</b>
2016	USD	-0.10%	+3.30%	+1.28%	+3.17%	+1.40%	+4.97%	+3.0%	+0.13%	+0.11%	-1.83%	+0.88%	-1.76%	<b>+15.29%</b>
2017	USD	+1.90%	+1.10%	+1.94%	+1.03%	+2.96%	+4.52%	+1.94%	-4.38%	+1.09%	-0.75%	+1.47%	+0.01%	<b>+13.33%</b>
2018	USD	+0.41%	+0.42%	+0.58%	-0.93%	-3.24%	-0.12%	-1.28%	+0.79%	+3.02	-2.14%	+0.45%	-2.05%	<b>-4.17%</b>
2019	USD	-1.63%	+2.90%	+1.58%	+0.82%	-3.35%	+1.98%	+1.18%	+1.63%	-1.89%	-2.34%	-1.59%	+2.31%	<b>+0.70%</b>
2020	USD	-1.41%	-3.93%	-18.44%	+12.72%	+4.28%	-0.28%	+0.78%	+8.65%	+6.02%	+0.72%	+6.91%	+12.77%	<b>+27.66%</b>
2021	USD	-1.89%	+9.49%	+5.84%	+1.58%	+6.37%	+8.37%	-1.30%	+8.47%	+3.80%	+4.47%	+2.42%	-1.69%	<b>+55.61%</b>
2022	USD	-2.51%	+1.92%	+5.99%	-5.82%	-5.85%	-3.73%	+2.50%	+1.76%	-10.01%	-10.53%	+1.35%	+6.09%	<b>-18.84%</b>
2023	USD	+4.70%	-5.71%	+3.80%	+2.17%	+3.42%	+3.01%	+6.09%	-3.53%	-2.91%	-8.13%	+4.58%	+2.38%	<b>+9.02%</b>
2024	USD	-2.24%	+0.49%	+2.47%	-3.72%	+7.35%	+1.73%	+1.67%	+2.05%	-0.56%	-3.34%	+0.35%	+4.09%	<b>+10.25%</b>
2025	USD	-0.88%	+2.02%	-3.64%	-9.12%	+4.73%	+6.55%	+5.33%	+3.6%*					<b>+7.9%*</b>

\*According to internal estimates

\* By accessing information contained herein, users are deemed to be representing and warranting that they are either a Hong Kong Professional Investor or are observing the applicable laws and regulations of their relevant jurisdictions.

\* The fund is authorized for distribution to professional investors in Hong Kong, Japan, Singapore, and the UK.

\* For Switzerland only: This is an advertising document. The state of the origin of the fund is the Cayman Islands. This document may only be provided to qualified investors within the meaning of art. 10 para. 3 and 3ter CISA. In Switzerland, the representative is Acolin Fund Services AG, Maintower, Thurgauerstrasse 36/38, 8050 Zurich, Switzerland, whilst the paying agent is NPB Neue Privat Bank AG, Limmatquai 1 / am Bellevue, 8024 Zurich, Switzerland. The basic documents of the fund report may be obtained free of charge from the representative. Past performance is no indication of current or future performance. The performance data do not take account of the commissions, if any, and fund transfer costs incurred on the issue and redemption of units.

## DISCLAIMER

Investments in equities in Vietnam are subject to market risk, idiosyncratic risk, liquidity risk, and currency exchange rate risk. The fund may use financial derivative instruments as a part of the investment process. This document does not constitute an offer to sell, or a solicitation of an offer to buy shares in AFC Vietnam Fund. We will not make such offer or solicitation prior to the delivery of an offering memorandum, the operating agreement or articles of association, a subscription booklet, and other materials relating to the matters herein. Before making an investment decision, we advise potential investors to read these materials carefully and to consult with their tax, legal, and financial advisors. The materials have not been reviewed by the regulatory authority of any jurisdiction. Investment is open only to accredited investors as defined by the relevant legal jurisdiction of residence and/or nationality. We have compiled this information from sources we believe to be reliable, but we cannot guarantee its accuracy. We present our opinions without warranty. Past performance is no guarantee of future results. © 2024 Asia Frontier Capital Limited. All rights reserved.