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DCI Vietnam Capital Management Co. Ltd.
Daiwa Corporate Investment Co., Ltd.

Establishment of “DAIWA-SSIAM Vietnam Growth Fund II L.P.”

Daiwa Corporate Investment Co., Ltd. (“DCI”), through its subsidiaries, DCI Vietnam Capital Management Co. Ltd., (incorporated in Cayman Islands) and SSI Asset Management Co., Ltd. (“SSIAM”, a subsidiary of Saigon Securities Inc. (“SSI”), the largest securities company in Vietnam), are pleased to announce the establishment of “DAIWA-SSIAM Vietnam Growth fund II LP” (the “Fund II”).

Total capital commitments of the Fund II is approximately USD 40 million raised from Japanese and foreign investors (including the commitments from Daiwa Securities Group and SSI). The Fund II has already started its investment activities taking the opportunity of Vietnam’s strong economic re-emergence and immense growth potential over the next decades. The Fund II aims to provide growth capital as well as active hands-on supports to fast-growing companies in Vietnam to achieve higher return on investment by increasing the corporate value of the portfolio companies.

1. Executives Summary

In October 2009, DCI and SSIAM jointly established their first Vietnam-dedicated private equity fund (the “Fund I”) and the Fund I had successfully completed divestments of all portfolio companies and made its final distribution to its limited partners with excellent investment performance in September 2015.

Vietnam is expected to continue its sustainable high economic growth driven by expansion of domestic consumption along with rising middle income class in the large population of 93 million (average age 29 years), and the surge of the importance as a destination for foreign direct investment (“FDI”) and favorable export condition.

Political stability since the introduction of Doi Moi (Reform) Policy in 1986, recovery of foreign currency reserve and stability of interest rate and its currency since 2012 have created favorable macroeconomic environment.

Trans-Pacific Partnership (“TPP”), which was reached agreement last October, will boost both inflow of FDI and enhance the attractiveness of Vietnam as manufacturing and export base, as well as encouraging its economic reform efforts further.

Since Vietnam is expected to continue providing attractive investment opportunities, DCI and SSIAM decided to establish the successor fund. The Fund I and II are the only and unique joint-managed funds by the major securities group of Japan and Vietnam by utilizing each of the expertise, knowledge and network. Also the Fund II is the first establishment of the successor fund that dedicate to Vietnam private equity investment by Japanese PE fund management company.

2. Investment Strategy and Methodology

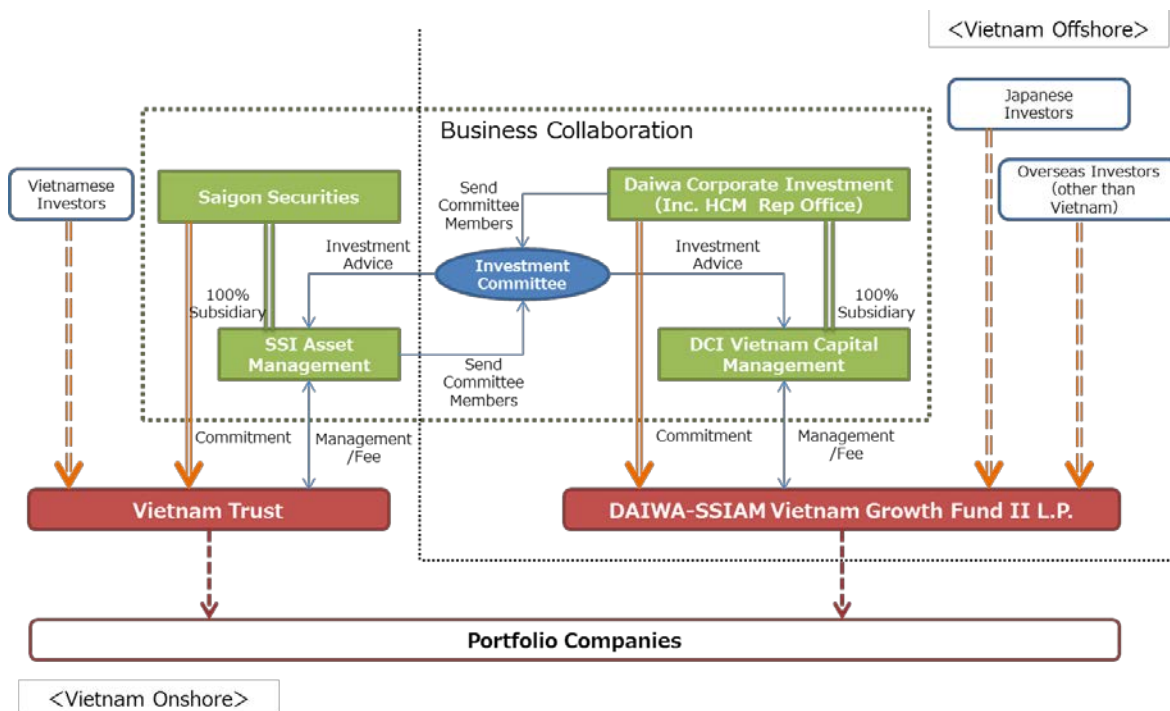
The Fund II intends to focus on investing consumer goods & services-related sector and agriculture & aquaculture-related product sector where strong growth is expected driven by attractive demographics, rapid urbanization, rising middle income class and changes in life style.

These sectors are also anticipated to be benefitted from on-going landmark trade pacts such as TPP, generating further external demands for Vietnamese products in addition to growing domestic consumption.

The Fund also considered a promising investment opportunities in the Government’s SOE privatization program.

In order to secure a meaningful influence on the corporate governance of each investee company, the Fund II intends to make a significant minority investment with an ownership of between 10% to 30% and seats on the board of directors and/or the board of supervisors of each investee companies. The Fund II will further utilize strong corporate network of the Daiwa Securities Group with Japanese companies in order to boost the portfolio companies’ value by facilitating strategic alliances between them.

3. The Fund Structure



Summary of Key Terms of the Fund II

Name	DAIWA-SSIAM Vietnam Growth Fund II L.P.
Fund Structure	Cayman Islands exempted limited partnership
Investment Objective	To generate capital gains and income by investing primarily in a number of non-listed companies in Vietnam, and, to some extent, in listed companies in Vietnam by way of PIPEs. Also selectively invest in divestment stakes of SOEs by Vietnam Government
General Partner	DCI Vietnam Capital Management Co. Ltd., an exempted company incorporated with limited liability in the Cayman Islands
Investment Manager of the Parallel Fund	SSI Asset Management Co. Ltd., a company incorporated in Vietnam

Fund Maturity 8 years (Investment period 4 years)

Total Fund Commitment US\$ 39.32 million

4. Contact

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