

Private Equity in Vietnam

# Steering through challenges

August 2023



# Contents

Section	Page
Foreword	03
Executive summary	04
Economic update	05
Private equity deals recap	07
Attractive industries	11
Private Equity fundraising trends	12
ESG moving to mainstream	15
Exit	18
About Grant Thornton	20

# Foreword



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Dear Valued Readers

2022 & 2023 continue to be the years to remember. After the tumultuous pandemic years of 2020-2021, the world was just beginning to move forward with the hope that 2022 and the years ahead would be bright and positive. The combination of unexpected events including war, inflation, energy scarcity, and climate change since the later half of 2022 put the global economies on a potential recession in the year ahead.

The macro-economic uncertainties and challenging debt markets have adversely impacted the global private equity industry significantly in 2022 compared to 2021 with a 35.4% drop in total investment value, a 41.7% plunge in total exit value, and a 16% decrease in fundraising. Early of 2023 has seen the predicted continuance of the 2022's significant slowdown in PE-related deal activity with a 17% decrease in the deal value compared to Q4-2022, and a 59% decline from that in Q1-2022.

The Vietnamese PE market was on the same trend with a 5-year record low in transaction value in 2022 and a decrease in both deal count and deal value in H1-2023. However, our survey results show that Vietnam's PE is still an attractive market in the region and catching the attention of investors. This is supported by respondents' belief in the long-term positive fundamentals of Vietnam's economy.

Our 2023 Vietnam Private Equity Survey has been conducted to capture the full impact of the current economic turbulence. Thanks to the insightful responses from professionals working at various institutions in the PE sector, we believe that the report will provide a unique insight into the market for such turbulent years. We would like to express our gratitude to all of the respondents for their valuable contributions.

The first part of our report recaps Vietnam's economic outlook, the country's private equity landscape in 2022-6M2023, and attractive sectors. The second part focuses on the Fundraising trends, Investment momentum, and the increased focus of ESG in the Vietnam private equity market in the next 12 months.

Due to restrictions on time and space, many topics in this report cannot be discussed in depth. If there are any subjects that you would like to explore further, please do not hesitate to get in touch with us.

# Executive summary

Vietnam's private equity industry faced strong headwinds in 2023 mainly due to the macro downturn, economic uncertainties, and higher financing costs globally.

## Market outlook

With a record-high GDP growth rate in 2022, Vietnam's economy was expected to continue achieving impressive growth in 2023. However, the impacts from both external and internal turbulence caused GDP growth to slow down significantly in 1H2023, with many economists expecting it to be in the range of 5%-5.5% for the whole year 2023.

## Attractive industry

According to our survey results, the top three most attractive industries are healthcare and pharmaceuticals, education, and fintech. These industries are increasingly attracting investors' attention thanks to their resilient performance during Covid-19 and growth prospects, which are further supported by changes in customer behavior post the pandemic.

In 6M2023, there was strong investment activity in education with a significant increase in both deal counts and deal value.

## Valuation

The contraction trend in valuation happened since 2022 and per our survey results, the valuation is expected to further contract in the next period due to the increasing cost of capital, and slower growth forecast of businesses. The significant decrease in valuation was mainly witnessed in the early-and-growing companies.

## ESG

In the Vietnam market, ESG adoption is currently in a transitional stage. PE and VCs are increasingly aware of the importance of ESG standards but the implementation of ESG policies across their portfolio companies meets considerable challenges, such as cost to incorporate ESG factors, integration of non-financial ESG factors into financial models, and quantification of ESG benefits. However, the adoption of ESG in the Vietnam market is expected to witness a significant change in the next 3 years.

## Private equity market

After two years of record dealmaking in 2020-2021, Vietnam's private equity market witnessed a decline in 2022 and in the first six months of 2023, as evidenced by a drop of 66% yoy in deal counts and a slight increase by 4% yoy in deal value. The decline was aligned with the global and regional trend amid macroeconomic uncertainties.

Assets under management of Vietnam-focused funds were on the rise with a CAGR growth of 14.3% during the period 2020 to 2022. The dry powder was enlarged, of which the rising portion is mainly for early-stage investments.

## Fundraising

From our survey results, PE and VC firms also faced difficulties in fundraising activity in the last 12 months. A longer time period needed to close a fund due to LPs' changes in risk appetite in response to the market uncertainties.

Besides, finding funding sources amid fierce competition against other funds also presented a significant challenge for many of our respondents to successfully closing a fundraising. Accordingly, smaller and new funds are likely to underscore in the eyes of LPs compared to well-established funds with a proven track record.

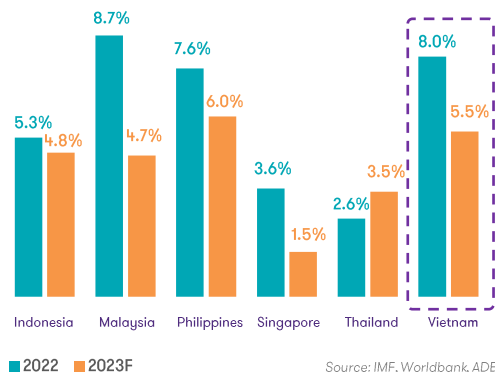
## Exits

Nearly half of our surveyed funds indicate their delay in exits for more than 1 year as the current market situation does not favor exits. While both trade sales and IPOs remain the preferred exit strategies among surveyed private equity professionals, trade sales offer more advantages than IPOs in terms of process timeline, procedures, and current capital market conditions.

# Economic Update

Amid the economic headwinds, the Vietnam government has enacted measures to safeguard the macroeconomic situation

## GDP growth rate SEA countries



## 13.5%

Year on year growth in the rate of disbursement of foreign direct investment in 2022.

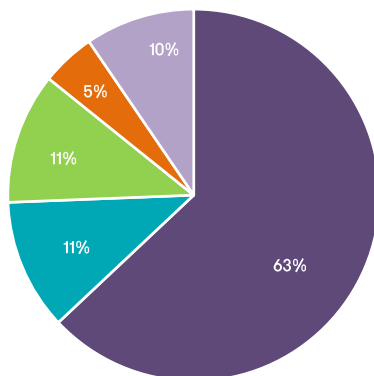
Vietnam continues to attract investments from foreign countries. Disbursement of FDI in 2022 reached 22.4 billion USD, posting a five-year record high. In the first half of 2023, the disbursement of FDI continued to increase slightly by 0.5% yoy to USD10.02 billion.

The Vietnam economy achieved a remarkable recovery in 2022 with an 8.02% yoy GDP growth rate, a 12-year high record. With such good performance in 2022, it was expected that the economy would continue to deliver a high growth rate. However, the strong impact from both external and domestic headwinds caused the GDP to slow to a 3.72% yoy growth rate in 1H2023 with the export value of goods and services decreasing by 10% and the number of enterprises withdrawing from the market increasing by 25.1% in 1H2023 compared to the same period last year. By the end of June 2023, many financial institutions revised the forecast of Vietnam's GDP growth rate for the whole year 2023 to a lower range from 5% to 5.5%.

Compared to the same period last year, the core inflation rate was high at 5.21% in January and gradually reduced to 4.33% in June 2023, according to GSO statistics. It is likely that Vietnam Government can manage to keep the inflation rate below 4.5% for the year 2023.

The Vietnam Government has taken actions to support domestic economic growth amid market uncertainties. On 19 June 2023, the State Bank of Vietnam once again cut operating interest rates by 50 percentage points, for the fourth time within four months. They also urged commercial banks to reduce lending interest rates. Many financial institutions also predict that SBV would carry out another interest rate cut in 2H2023 to further support the general economic growth.

## FDI investment in 6M2023 by sector

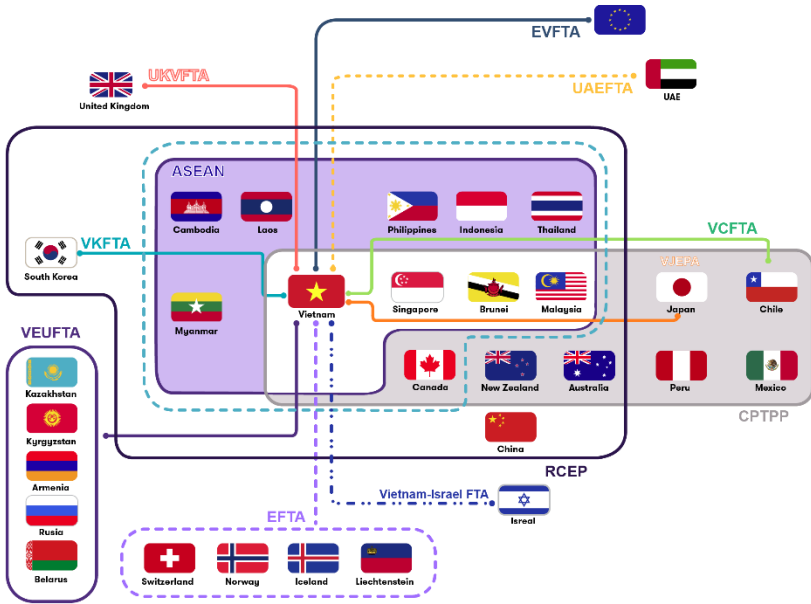


- Processing and manufacturing
  - Banking and finance
  - Real estate
  - Science and technology
  - Others
- Source: GSO



# Economic Update

Vietnam is a signatory to 19 active and planned Free Trade Agreements. UKVFTA and RCEP are the latest official FTA to come into effect in 2021 and 2022, the advantages of which would be a promoting factor for FDI inflow into Vietnam. Another notable potential agreement in the plan is the European Free Trade Association (Vietnam-EFTA) – which together with EVFTA is believed to make Vietnam more competitive and turn it into a hub for European businesses.

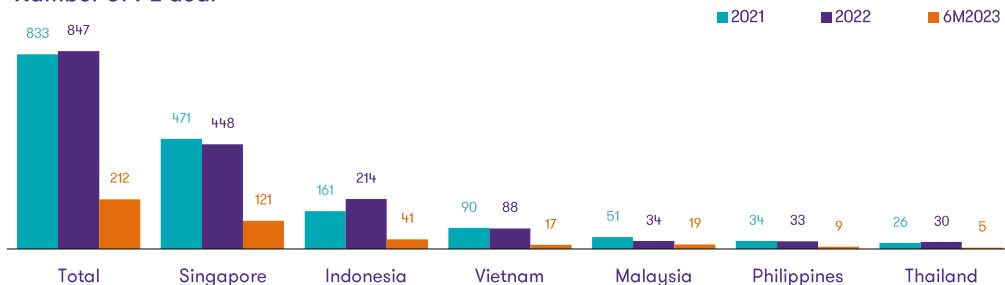


In 2022, Credit rating agency Moody's upgraded Vietnam's rating from Ba3 to Ba2 to reflect the country's growing economic strengths relative to peers and greater resilience to external macroeconomic shocks that are indicative of improved policy effectiveness.

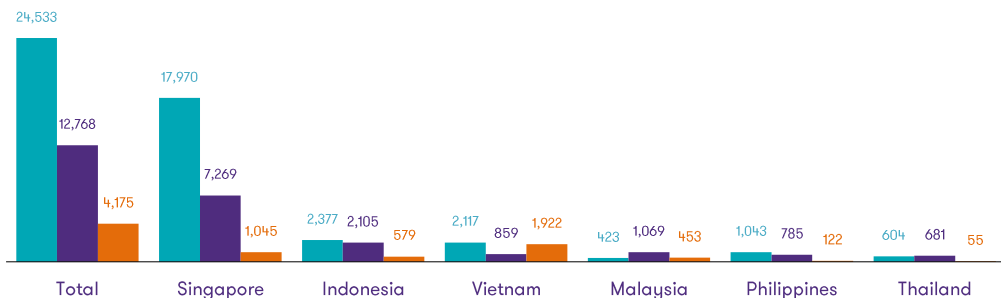
# Private equity deals recap

## ASEAN 5 and Vietnam

### Number of PE deal



### PE deal value (USDmn)



Source: S&P Capital IQ

The year 2021 witnessed an unprecedented level of private investment activity in the region with total deal value reaching an all-time high of USD24.5 billion. The record is because (i) the pending investment pipeline due to the Covid-19 situation in 2020 that was proceeded in 2021, (ii) low interest rate, and (iii) a number of big deals such as Grab (USD4 billion), Flipkart (USD3.6 billion), and Interplex (USD1 billion).

In 2022, the total value of deals decreased by 47.7%, despite the fact that the total number of deals was slightly higher than the record pace set in 2021. This decrease stemmed from a reduction in the number of large-sized deals, likely resulting from a contraction in valuations in 2022.

Indonesia and Thailand were notable exceptions among other countries, as their deal counts continued to increase in 2022.

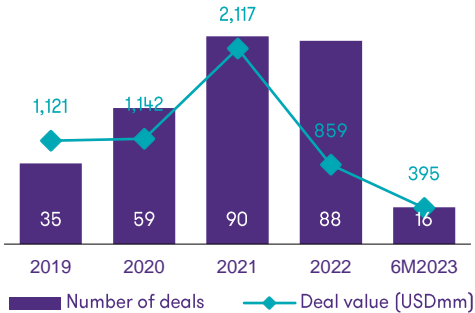
The Philippines also showed its resilience, while it lagged behind Thailand in 2020, between 2021 and 6M2023, the Philippines has surpassed Thailand, rising to attain 5th position.

In 2023, the persistence of an uncertain economic outlook and constantly high interest rates led to a contraction in private equity investment in all countries in the region. In the first half of 2023, the private equity market of the group ASEAN 5 decreased by 58% in deal counts and 72% in deal value compared to the corresponding period in the previous year.

# Private equity deals recap

## Vietnam

### Private equity deals over the years



Vietnam's private equity market was aligned with the region's trend. The market reached its peak in 2021 with 90 deals and a record total transaction value of USD2.1 billion, double that of 2020. Within the year, there are 6 deals having transaction value above USD200 million.

In 2022, the number of deals remained high at 88, but the transaction value dropped to a record low in the past 5 years, with only USD859 million in total transaction value.

The first half of 2023 continued to be bleak for the Vietnamese market, with a drop of 72% in deal counts and 41% in deal value.

Source: SSP Capital IQ

Note: Zero deal value due to undisclosed amount

Private equity deals by sector	2021		2022		6M2023	
	Deal count	Value (USDmn)	Deal count	Value (USDmn)	Deal count	Value (USDmn)
Technology, media and communication	53	451	44	131	7	100
Financials	11	771	9	216	3	1674
Retail	4	810	1	90	0	0
Real Estate	1	10	7	289	0	0
Education	6	7	5	4	4	141
Healthcare and pharmaceuticals	7	54	5	75	0	0
Industrials	1	0	6	9	1	4
Others	7	13	11	46	2	3
<b>Total</b>	<b>90</b>	<b>2117</b>	<b>88</b>	<b>859</b>	<b>17</b>	<b>1922</b>

During 2021 – 6M2023, Financials, Retail, Technology, Media and Communication were the most targeted industries.

64% of the deal counts and 56% of the deal value in the financials sector are consumer-related themes, such as consumer finance, Insurance brokerage, Commercial & Residential mortgage, and Transaction and Payment Processing Services. The sector witnessed a surge in terms of transaction value for the year 2023 thanks to an announced transaction between Sumitomo Mitsui Banking Corporation and VPBank. The transaction value is USD1.5 billion for a 15% equity stake of VPBank, the biggest amount ever recorded in the sector in Vietnam.

Regarding retail, the biggest transaction was concentrated by VinCommerce and CrownX deals in 2021.

Technology, media and communication services, and healthcare were showing active momentum. Tech deals led the way with a string of small deals, suggesting early-stage investments. It maintained the interest of investors thanks to themes related to e-commerce, fintech, entertainment, HR management, logistics, etc.

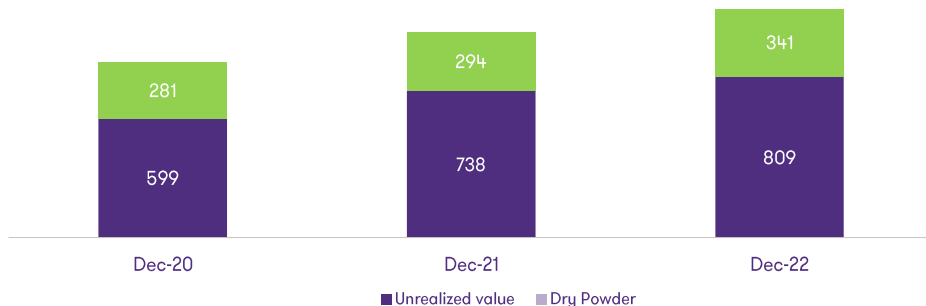
Notably, in 6M2023, there was strong investment activity in education with key investments including Equest Education, Illiat, Teky, Prep Technology, MindX, etc. The average deal value is USD35 million, presenting an increase in deal size compared to previous years.

While 2022 was a difficult year for Real estate, the sector recorded a high deal value due to the special transaction of No Va Land Investment Group Corporation to be acquired by Warburg Pincus LLC with transaction value of USD250 million.

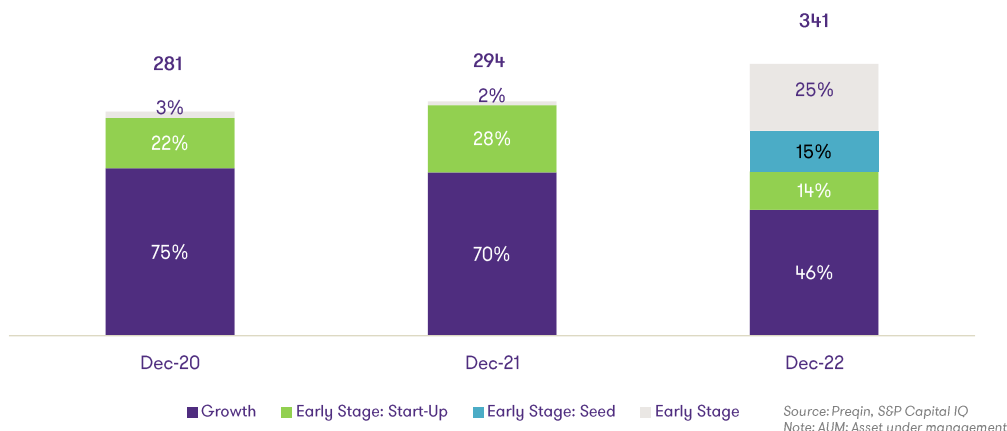


# An overview of Vietnam-focused funds

AUM's Vietnam-focused funds at year ends (USD mn)



## Dry powder at Vietnam-focused funds by strategy (USD mn)



Asset under management (AUM) of Vietnam-focused funds has grown with a CAGR growth of 14.3% during the period between 2020 and 2022.

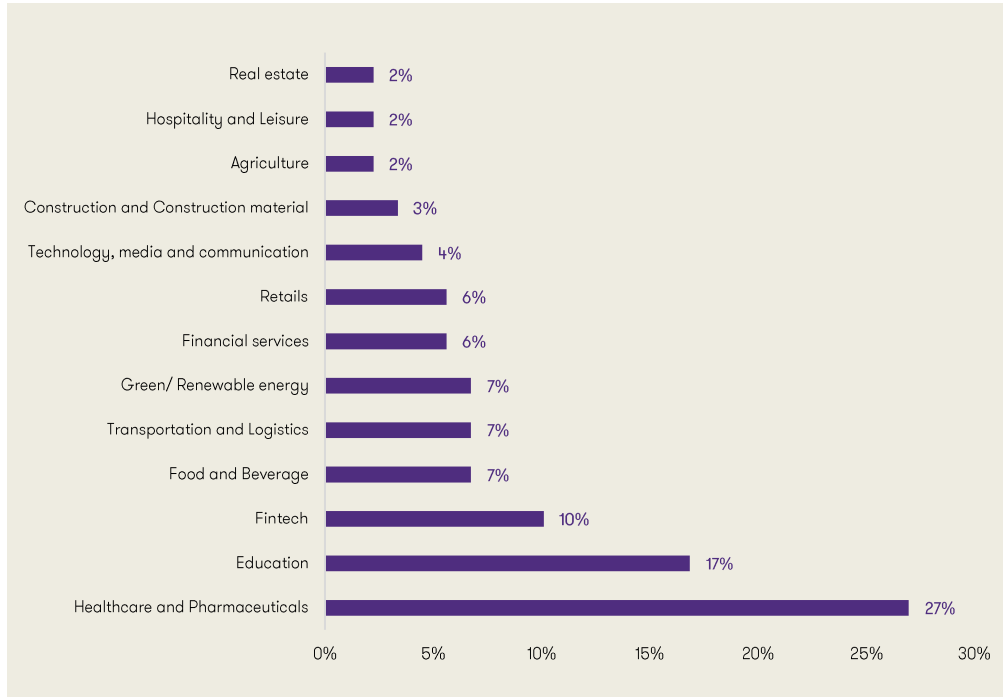
The proportion of undisbursed capital increased from 28.5% at the end of 2021 to 29.7% at year-end 2022, with the amount increased by 16%, suggesting the funds' conservative attitude given the current situation.

Of the dry powder, the most significant proportion was still for the Growth strategy. We however found a big change in the proportion of different strategies, with a significant increase from 1.7% in 2020 to 39.6% in 2022 for the investments in seeding & early stage.

The increase in the portion of dry powder for early-stage investments also indicates that although the allocation to this group increased, closed deals were limited. This was due to the "wait & see" strategy of funds. According to Global Start-up Ecosystem Report (GSER), in 2022 there was a 35 percent decrease in start-up investments compared to 2021.

In contrast, the dry powder for growth companies decreased, both in terms of amount and proportion, suggesting that growth and mature companies are more attractive in the current economic condition, and capital disbursement continues to be implemented.

## Most attractive industries in the next 12 months voted by our respondents



Our survey results showed the top 3 most attractive sectors of private equity investment in Vietnam for the next 12 months include Healthcare & Pharmaceuticals, Education, and Fintech.

These sectors showed resilient performance during Covid-19 and are considered to have future growth prospects supported by the changes in consumer behaviours post the pandemic, including increasing demand for more regular healthcare services, advanced technology solutions for online teaching/learning, digital banking/financing transformation for more convenient and fast remote services.

# Attractive industries



## Healthcare and Pharmaceuticals

The healthcare sector is expected to show an annual growth rate (CAGR 2023-2027) of 13.39%, resulting in a projected market volume of USD235.3 million by 2027.

An aging population, increasing awareness and demand for healthcare post Covid-19, rising disposable income and the government's efforts to make healthcare more accessible and affordable are the key growth drivers for the sector.

Inadequate healthcare infrastructure and lack of capital for R&D and technology transformation cause a huge supply gap and create investment opportunities.



## Education

According to Bain & Company, on average, a Vietnamese family spends about 20% of disposable income on children's education, among the highest in the world and second only to Malaysia in Southeast Asia.

The investors are seeking investment opportunities in education services that incorporate technology factor or education services in non-traditional areas such as STEM (Science, Technology, Engineering, and Mathematics), soft skills, etc.

In 2023, revenue of Vietnam's e-learning market is expected to reach around USD3 billion, posting a CAGR of 20.2% for the period 2019-2023. Vietnam is also in the top 10 educational technology markets with the largest growth rate, in the world, of about 44.3%, according to Vietnam Edtech Report 2021.



## Fintech

Vietnam Fintech Market size in terms of transaction value is expected to grow from USD34,5 billion in 2023 to USD63.8 billion by 2028, at a CAGR of 13.11%.

Total number of start-ups in the industry increased by 13% from 156 companies in 2021 to 176 companies in 2022.

The growth is partially supported by the awareness of the importance of digital banking transformation and the government's supportive regulations, and government policies that are in progress.





## Fundraising trends

Vietnam private equity market has experienced some difficulties in fundraising activities in the last 12 months due to the change in the risk appetite of many LPs in response to rough and uncertain market conditions.

Per our survey results, the most common median time for PE and VCs for the Vietnam market to close a fundraising is from 12 to 15 months. However, 68% of PE and VC firms expect a slight or even significant increase in the median time taken to close private capital funds in the period 2023-2024. Per interviewed fund managers, it takes PE-VC firms more time in convincing LPs amid unfavorable market conditions.

The survey's findings also indicate top challenges for fundraising activities in the next 12 months including macro-economic factors, finding funding sources, and fierce competition among PE-VC firms.

Macroeconomic factors, including rising interest rate, rising inflation, and general market downturn, not only directly decrease the interest of LPs in PE investments but also trigger the fall of the stock market which bring the denominator effect into play. Accordingly, due to the significant decline in public markets, the proportion of private equity in LPs' portfolios has increased, thereby reducing their capacity to allocate additional funds to private equity investments.

Besides, the delay in private equity investment exits caused a delay in the cash return to LPs in the period. This also makes LPs adopt a more cautious and selective approach in making new private equity commitments, leading to an increasing challenge for funds to compete against their peers, especially against larger and well-established firms in securing suitable funding sources.



87%

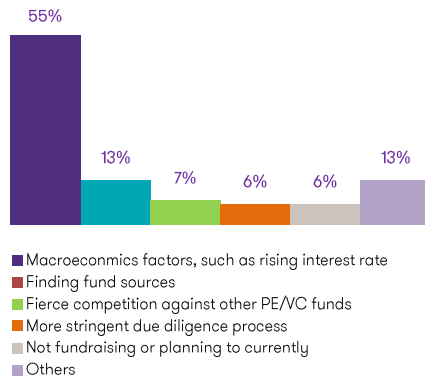
Respondents faced rising difficulty in fundraising activity in the last 12 months



68%

Fund managers expect a slowdown in private capital fundraising in the next 12-18 months

### Key challenges in fundraising activity

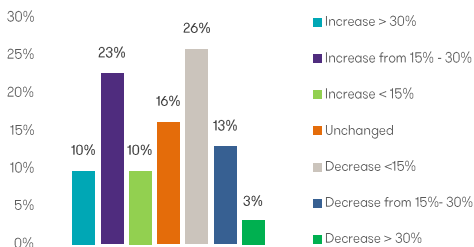




# Fundraising trends

Private equity fund managers express diverse expectations on capital commitments in 2023 - 2024.

Expected change in capital commitments in 2023-2024

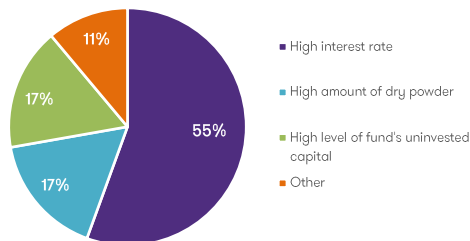


The survey results point to a bifurcated view of fund managers regarding expected private equity capital commitments over the next 12 months, with 42% of the respondents expecting a decrease and the same percentage of the respondents expecting an increase.

The main reasons that make 42% of the respondents expect a decrease in the amount of fund raised in the next 12 months include the increasing cost of capital, the high amount of dry powder, and the high level of funds' current un-invested capital.

Per interviewed fund managers who expect an increase in capital commitments next year, although the global private equity market is facing challenges, Vietnam – in the long run still shows attractive fundamental economic factors that catch the eyes of LPs globally. In addition, the temporary macroeconomic headwinds may create some advantages for private equity investments in terms of valuation and negotiation.

Reasons for a scale-down in capital commitments in 2023-2024



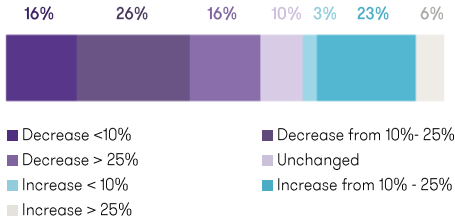
These divergencies in the market landscape reflect the shape of the Vietnam private equity market. Most of the private equity fundraising is successfully closed through a strong base of networks with a number of familiar LPs. Amid the increasingly challenging market, some PEVC firms will be able to continue securing and deploying capital from LPs, but others may struggle as investors take a more selective approach in favor of more established names with long-term track records.

In conclusion, the Vietnam private equity market is experiencing increasing challenges due to the change in LPs' risk appetite amid an uncertain economic outlook. The market outlook in the next 12 months is split into two key streams including (i) firms with quality track records could have more opportunities, while (ii) firms with less reputation in the industry may face increasing challenges and contraction in the size of their next fundraise.

# Valuation and investment momentum

## The continuance of contraction in valuations

### Expected valuation trend in 2023-2024



Global private equity entry multiples declined slightly in 2022, falling to 12.9 times EBITDA from a record 13.2 times a year ago (according to McKinsey & Company). The Vietnam market is also following this trend and expecting a continued reduction in valuations in the next 12 months, with 58% of respondents expecting a further reduction in valuations in the next 12 months.

Per sharing of interviewed fund managers, the decrease in valuation mainly related to the early-stage companies due to the increase in cost of capital and slower growth expectations in the next 12 months. Besides, amid the current market situation, many funds are holding back and taking a “wait & see” strategy causing a less competitive investment market and creating opportunities for active funds to negotiate lower valuations.

For more mature companies with stable growth, valuations could still be impacted due to slower growth, however, less so.

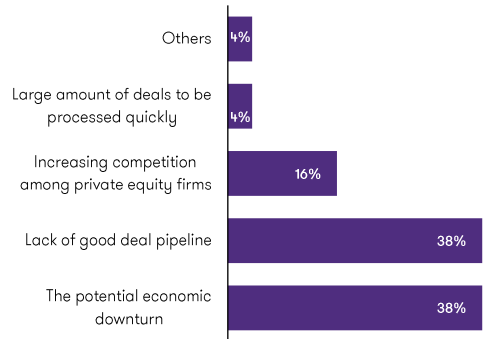
The decrease in valuations, however, does not lead to more available opportunities. Many companies decide to delay their fundraising or switch to only raising a smaller amount for short-term needs while waiting for the market’s recovery. Market participants also see that there are fewer deals being closed due to a mismatch in valuation expectations between funds and business owners.

## Market downturn identified as the biggest challenge in finding investment opportunities

As mentioned above, the market downturn has caused companies to delay their fundraising or M&A plans. That explains the two biggest challenges for finding investment opportunities, as voted by respondents, the potential economic downturn and lack of a good deal pipeline.

Meanwhile, other concerns that have a lesser impact include competition between funds, elevated expectations for valuations, and an overabundance of deals.

## Main challenges in finding new investment opportunities



# ESG

## moving to mainstream

- Waste and pollution
- Resource depletion
- Greenhouse gas emission
- Deforestation
- Climate change

- Company leadership
- Remuneration
- Board diversity and structure
- Audits
- Internal controls

- Employee relations & Diversity
- Working conditions
- Local communities
- Health and safety
- Conflict

ESG (Environmental – Social – Governance), is a set of standards to measure a business's impact on society, the environment, and how transparent and accountable is the company. It serves as a guide for stakeholders to understand how an organisation manages risks and opportunities.

### ESG awareness is on the rise in Vietnam PE-VC market



87%

Respondents confirm the importance of ESG for a sustainable investment

Vietnam-focused funds have been lagging far behind other developed countries in terms of ESG consideration. However, the attention to ESG is progressing with more and more funds embedding ESG considerations into their investment criteria.

87% of the respondents confirm that they consider ESG important for sustainable and risk-controlled investment. The role of the “G” factor is emphasized by interviewed fund managers as the most active and direct contributor to the growth in both the short-term and long-term. The “E” and “S” factors are diverse and are not yet being taken as seriously as they should be.



61%

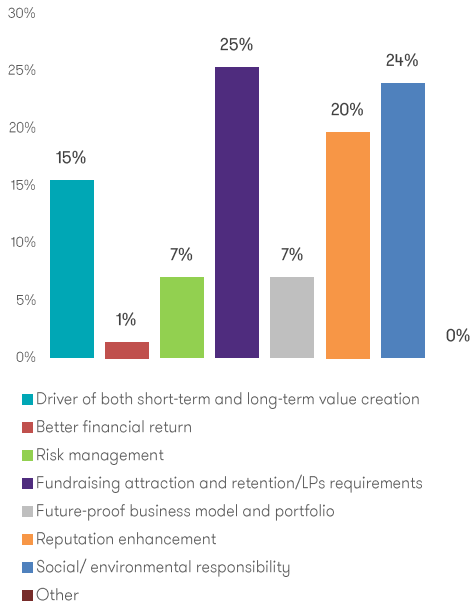
Fund managers share that they have embedded ESG into the funds' investment criteria

Of the total funds that responded to our survey, over 61% have already incorporated ESG considerations into their investment criteria and an additional 29% are planning to do so. They also shared that many funds in Vietnam market are in the process of learning to obtain appropriate knowledge and skills in ESG assessment. Consultations and guidance are provided by LPs who have strong ESG credentials.

These findings indicate that ESG consideration in Vietnam is evolving from a “nice to have” to an increasingly fundamental requirement. According to a number of interviewed fund managers who believe ESG is very important to their investments, the key goal of ESG is to support the sustainable growth of the companies by reducing risks and creating a favorable working environment to increase and maintain talent.

# ESG moving to mainstream

## Voted motivations for ESG policy enactment



## Challenges in ESG activation

The costly expenses for ESG activities: due diligence, monitoring & management post transaction

Integration of ESG principles will significantly change a Fund's investment model

The owners may be reluctant to share the ESG commitments and not consistently embed it into the company's development

The quantification of valued added by ESG to an investment is limited

## Top motivations for fund managers to enact ESG policy

The expectations and requirements of LPs are the top drivers that push fund managers to take ESG action. But fund managers are also well aware of their role and responsibility in addressing social and environmental challenges.

A notable driver for ESG is to enhance the fund's reputation that would create a good competitive advantage for the fund over its peers in both capital raising and capital investment activities.

Last but not least, asset managers also believe that incorporating an ESG perspective into their investment strategy will contribute to a better value creation plan in both the short term and long term, ultimately resulting in greater benefits for their investments.

## More challenges need tackling in order to implement an "impact investing" strategy

Though the market's awareness of ESG is increasing, it is indicated that the adoption of active and comprehensive ESG principles will take more time.

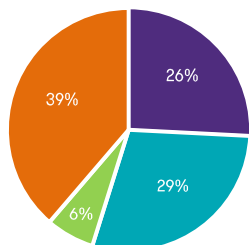
In recent years, many PE and VC firms in Vietnam market are using the label of "impact investment" mainly for marketing and branding purposes, with few actual actions or plans to initiate and improve ESG management for their investees.

Per sharing of interviewed fund managers, the delay of real actions is due to the challenges from both the fund's and investee's sides. It will take more time for funds in the Vietnam market to be strongly committed to their ESG obligations.

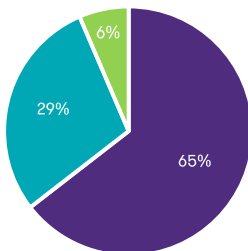


# ESG moving to mainstream

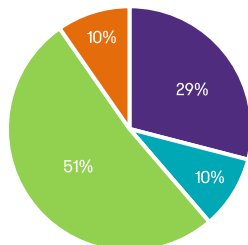
Though slowly, ESG action plans in the Vietnam market are under way



- Less than 5%
- 5%-10%
- 11%-20%
- More than 20%



- More scrutinizing
- No change
- Less scrutinizing



- Third-party consultant
- Third-party technology & solution
- In-house team/leader
- None

## Portfolio portion for ESG focused investments in the next three years

Many funds are restructuring their portfolio to reflect the importance of ESG. Approximately 39% of the respondents shared that in the next 3 years, over 20% of their portfolio will be allocated to ESG-focused investments. The figures indicate a strong commitment and positive attitude among GPs in the Vietnam market towards action plans for ESG assessment and management in the near future.

## Trend of ESG due diligence in the next three years

About two thirds of the respondents believe that the working process related to ESG due diligence, monitoring, and management will become more scrutinous in the next 3 years. ESG considerations will no longer be an exercise of box-ticking but rather an increasingly fundamental differentiator that helps the funds to increase their success rate in fundraising and delivering sustainable long-term returns.

## Main resource for handling ESG due diligence, activities, and challenges

A majority (64%) of the respondents shared that they are willing to invest in companies whose ESG has not yet reached a required level but can be improved. Additionally, over half (52%) of the respondents plan to have an in-house team of experts to support ESG-related activities. The results demonstrate a clear intention and firm commitment of PE-VCs in tackling ESG matters in the years to come.

## Conclusion

The evolution of ESG in Vietnam's private equity market is in a transitional stage, moving from an exercise in box-ticking to an increasing fundamental factor for PE-VC firms to differentiate themselves from other competitors for fundraising and making sustainable growth investments. The Vietnam private equity market is going to witness a lot of changes in ESG aspects in the next 3 years with more ESG-focus investments and more ESG action plans to be done.

# Exit

## Increasing delay in funds' exit plans

After an extraordinary peak in 2021 with USD199 billion in exits, APAC Region's total exit value dropped by 33.7% to USD 132 billion in 2022 due to unfavourable macroeconomic conditions and the Vietnam market is no exception.

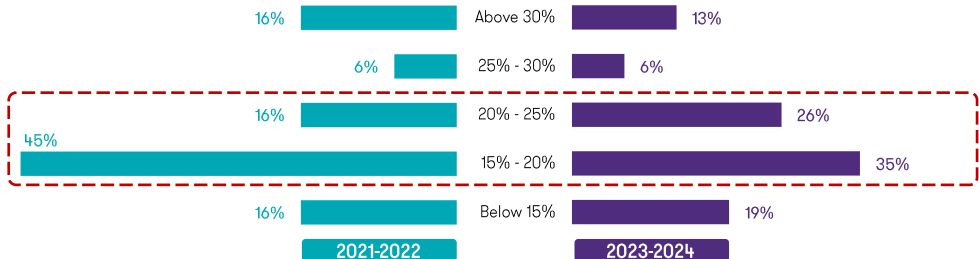
94% of the respondents to our survey expect their exit plans to be delayed for more than 1 year. The main reasons for the delays are the general gloomy market outlook, contraction in valuation, and companies' unfavorable performance status. Most of funds are waiting for more favorable market conditions that will put their investments in a better position for exit.



## Though showing a slight decrease, expected returns still remain high

Respondents are quite positive about the expected rate of return of their current portfolios. Over 80% of respondents expect that their portfolio will reach more than a 15% rate of return.

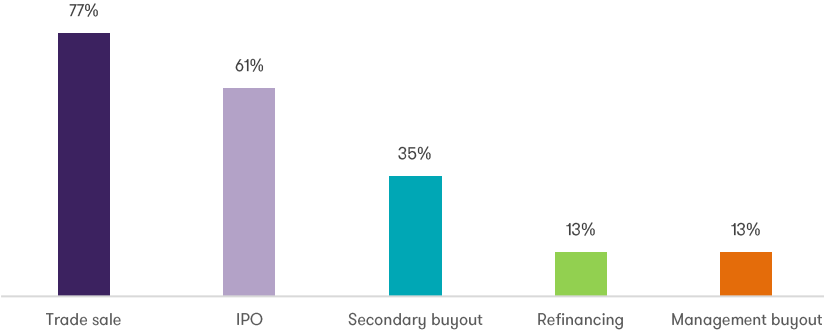
## Expected return from the current portfolio companies





# Exit

Most preferred exit strategy in the next 12 months voted by our respondents



**Trade sale** is the most preferred exit strategy as it is the simplest and fastest strategy

In line with our survey results in previous years, trade sales have maintained the most preferred exit strategy chosen by fund managers and consultants. Other rankings in the top 3 remain unchanged.

Although IPO remains the second preferred exit strategy selected by respondents due to its high liquidity and good valuation advantages, this is not a common exit strategy in reality due to the fact that companies must engage in extensive and prolonged preparation for a successful IPO. In the last decade, only a modest number of start-ups have successfully gone public. In addition, the current unfavourable market conditions also make IPO a less prioritised strategy.



# About Grant Thornton

Our Global Advisory Team with unparalleled experience

# About Grant Thornton

With 30 years of experience in Vietnam's Private Equity market, Grant Thornton Vietnam has developed a deep understanding of the industries and their key drivers

## Global Advisory team with unparalleled experiences



**Kenneth Atkinson**  
Founder and Senior Board Adviser



**Nguyen Thi Vinh Ha**  
National Head of Advisory

## How Grant Thornton helps Clients through the full Transaction Life Cycle

### Innovative Solutions

Our Transaction Services practice helps organizations navigate the complexity of transactions – whether buying or selling, restructuring, or providing capital solutions – always with competencies, speed, and agility. From deal strategy and valuation to evaluating the financial and operational issues affecting performance and identifying strategic alternatives, we address concerns, manage risk and seize opportunities to maximize your transaction value.

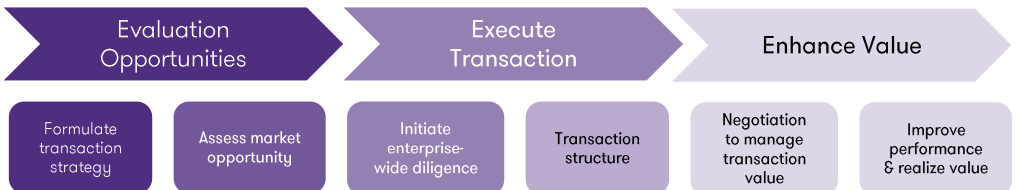
### M&A Advisory

- Deal Advisory – Buy & Sell Side
- Valuation and Due Diligence
- Implementation & Closing Support

### Fund Raising

- Private Equity
- Debt & Convertibles

## End to End Deal Lifecycle Support



# About Grant Thornton

## Thought Leadership

