

Vietnam Azalea Fund fully exits its investment in Loc Troi Group

HO CHI MINH CITY, VIET NAM (2 Oct 2017) – Mekong Capital announced today that the Vietnam Azalea Fund has successfully divested 100% of its investment in Loc Troi Group at VND68,000 per share for a cumulative consideration of more than US\$12 million.

With strong reputation in adding value to investee firms and having profitable divestments, it is not very surprising when Mekong Capital continues to realize high rates of return from its share sales.

After completing the sale of its 25% remaining shares in Loc Troi on September 28th, 2017, Vietnam Azalea Fund generated a gross return multiple of 3.6x in USD and a gross IRR of approximately 18.7% in USD on the shares sold by the Fund over the 8 ½ year period that the Fund held this investment.

With its newest divestment from Loc Troi, Mekong Capital's funds have earned a combined of nearly \$79 million from its divestments so far in 2017, contributing to its collection of successful exits during the past years.

In the first nine months of 2017, Mekong Capital's funds have fully exited Loc Troi Group and Vietnam Australia International School (VAS), and completed several partial share sales of Mobile World.

The Mekong Enterprise Fund II divested 100% of its investment in VAS in April 2017 at a total consideration of more than US\$25 million, resulting in a gross return multiple of 4.5x (including dividend received) and a gross IRR of 25.8% over the 6-year period that the Fund held that investment. Mekong Enterprise Fund II has also continued to divest from Mobile World, with a partial exit in September 2017 worth approximately US\$18million, realized gross IRR of 62.6% and gross return multiple of more than 133.2x on the shares sold.

Last year, Mekong Capital's funds made four full exits including Phu Nhuan Jewelry, FPT Corporation, Intresco, Nam Long and several partial exits of MobileWorld.

By applying its well-proven investment framework called "Vision Driven Investing", Mekong Capital has successfully added value and helped grow all its investee companies, and therefore, earned back much higher return compared with its initial investments.

About Loc Troi Group

Loc Troi Group, formerly known as An Giang Plant Protection JSC, was established in 1993 with the main business line of distributing crop protection chemicals. The firm's initial operation geography was only around the Mekong Delta. In 1994, the company opened a representative office in Ho Chi Minh City and then expanded its business throughout the country.

In 1996, the firm entered seed research and crop protection chemical manufacturing with the opening of Seed Research and Production Center and the construction of two agricultural pharmaceutical processing plants with the capacity of 5,000 tons per year.

Loc Troi undertook equitization in 2004 with chartered capital of 160 billion dong. In 2011, the company has developed its rice value chain by opening several rice mills in the Mekong Delta. The "Hat Ngoc Troi" rice brand has been welcomed not only in domestic market but also in 36 countries around the world.

In 2015, the company changed its name to Loc Troi Group and raised its chartered capital to VND671.6 billion. In 2017, Loc Troi was included in Forbes Vietnam's top 40 most valuable brand names.

About Vietnam Azalea Fund

Vietnam Azalea Fund was launched in June 2007 to focus on pre-IPO investments. The Fund made 7 private equity investments including PNJ, FPT Corp, Intresco, Nam Long, Masan Consumer, Loc Troi & Traphaco. After completing the exit of Loc Troi, the Fund's only remaining investment is Traphaco.

Similar to the Mekong Enterprise Funds, the Vietnam Azalea Fund applied an intensive post-investment value creation framework called *Vision Driven Investing*, in close partnership with the companies' management teams.

For information on Mekong Capital, please visit the company's website at <http://www.mekongcapital.com>

For more information, please contact:
Le Bao Ngoc
Corporate Communications Manager
E-mail: baongoc@mekongcapital.com