

## MEF II sold its final investment resulting in a final net return multiple of 4.5x for the Fund's investors

**HO CHI MINH CITY, VIETNAM (10 August 2018)** - Mekong Capital is pleased to announce that the Mekong Enterprise Fund II (MEF II) has successfully divested 100% of its final remaining investment, which resulted in the Fund achieving a net return multiple of 4.5x and net IRR of 22.5% for its investors. This has marked one of the most successful funds in Asian Private Equity.

Launched in 2006, MEF II is the second private equity fund managed by Mekong Capital. MEF II's notable investments included Mobile World (Vietnam's largest nationwide retailer of mobile devices and consumer electronics), Golden Gate (the leading restaurant chain operator in Vietnam), Vietnam Australia International School (a leading private bilingual K-12 school in Vietnam), Mai Son (a leading fashion retailer) and ICP (personal care products).

MEF II completed the sale of its last remaining 5 million shares in Mobile World in January 2018, resulting in a 56.9x gross return multiple and 61.1% gross IRR, making this investment being one of the most successful investments in the history of Asian Private Equity. Prior to that, the Fund generated a gross return of 4.5x and 9.0x for its investments in Vietnam Australia International School and Golden Gate, respectively.

The last divestment of MEF II was Asia Chemicals Corporation (ACC) for a total consideration of US\$8.9 million, generating a gross return multiple of 2.6x and a gross IRR of 15.1% for the investment in ACC. The Fund initially invested \$3.8 million in ACC in 2011, which was its 10th and final investment. Established in 2001 as a privately-held company in the food industry, ACC has pivoted into a leading distributor of high-quality specialty ingredients, chemicals, non-oil related commodities and other materials, sourcing from worldwide suppliers and selling to a wide range of leading enterprises in Vietnam. ACC achieved a cumulative annual net profit growth rate of 18% over the holding period of the investment.

Mr. Jeremy Paulson, Chairman of MEF II, shared: *"The completion of the sale of the final holding in MEF II brings to a close the life of what has proved to be a most rewarding fund investing in new and fast-growing companies in Vietnam. MEF II, through its Investment Manager, Mekong Capital, found an interesting range of investments which fully reflected the rapidly changing consumer sector in what was a fast-growing economy. This has resulted in a highly successful investment for MEF II's shareholders."*

Mr. Chris Freund, Partner at Mekong Capital, shared: *"We are delighted that MEF II and its investee companies have been a great success over the last 12 years. MEF II represented a critical turning point in Mekong Capital's history as it was the fund in which we started to focus on consumer-driven investments, and also comprised the initial companies that applied the Vision Driven Investing framework. We are committed to continue to apply this framework to consistently deliver excellent performance, and to reinvent Private Equity in emerging markets."*

### **About Mekong Capital**

Mekong Capital is a Vietnam-focused private equity firm, specializing in consumer driven businesses and looking to invest in fast-growing companies, with ambitious expansion plans, and a commitment to building management teams that will successfully execute on those expansion plans. Mekong Capital's funds have completed 33 private equity investments in Vietnam, of which 25 have been fully exited. Its latest investment vehicle, the Mekong Enterprise Fund III (MEF III), has to date announced investments in 7 companies, including lending firm F88, logistics companies Nhat Tin and ABA, restaurant operator Red Wok, Ben Thanh Jewelry, Yola Education, and mattress retailer Vua Nem. All investee firms in MEF III are implementing the *Vision Driven Investing* framework.

For information about Mekong Capital, please visit the website at [www.mekongcapital.com](http://www.mekongcapital.com).

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