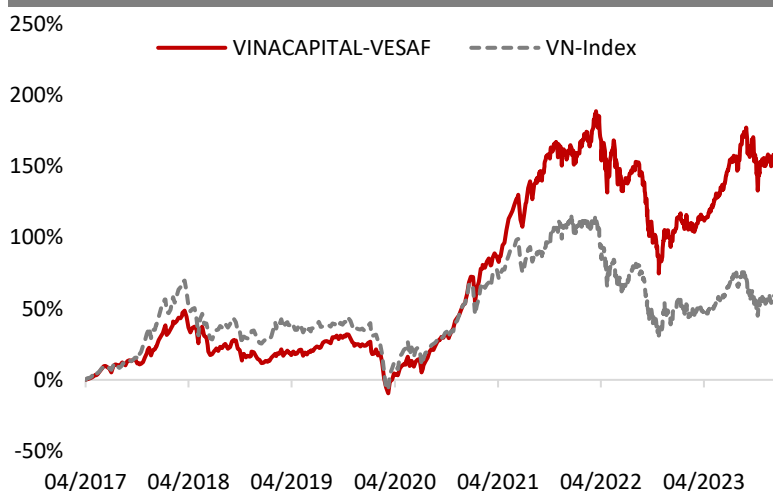


VINACAPITAL-VESAF

Investment approach

Invest in all equity opportunities unencumbered by foreign restriction or size. The strategy of the fund is to take meaningful stakes in companies with a robust franchise that we believe can benefit from the domestic growth of the country.

NAV growth since inception



The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your fund units. Current performance may be higher or lower than the performance data quoted.

Fund performance

	VINACAPITAL-VESAF	VN-Index
Total AUM (VND billion)	1,505.4	
NAV/Share (VND)	25,833.6	
Dec 2023 return (%)	2.5	3.3
YTD 2023 return (%)	30.9	12.2
3-year annualized return (%)	18.2	0.8
Annualized return since inception (%)	15.2	7.2
Cumulative return since inception (%)	158.3	59.3

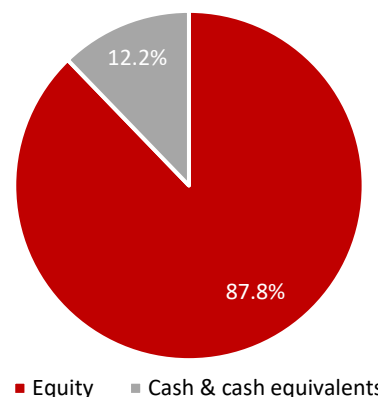
(The NAV is net of management fee and administrative expenses)

Investor Relations: irwm@vinacapital.com

Tel: +84 28 38 27 85 35

Investment allocation

% Total NAV



Fund information

Inception	18/04/2017
Management fee	1.75% per annum
Subscription fee	0.0%
Redemption fee	2.0% < 12 months
	1.5% >= 12 months
	0.5% >= 24 months
PIT	0.1%
Custodian and Supervisory Bank	Standard Chartered Bank Ltd. (Vietnam)
Auditor	PwC Vietnam
Trading frequency	Daily, From Monday to Friday
Benchmark	VN-Index

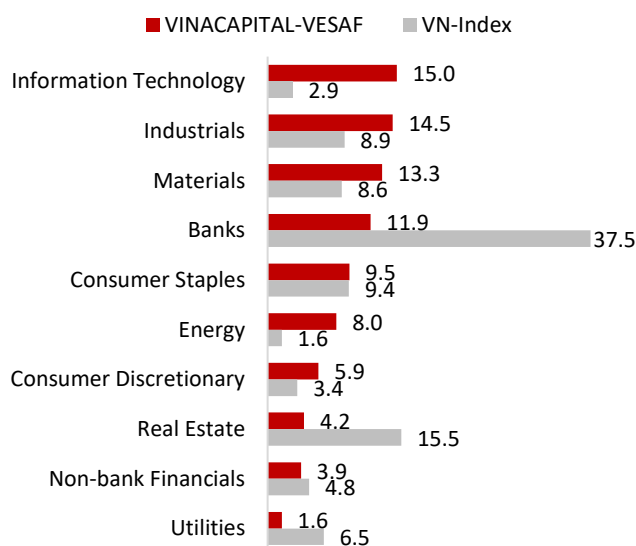
Portfolio statistics

	VINACAPITAL-VESAF	VN-Index
2024 P/E (x)	8.9	9.5
2024 P/B (x)	1.8	1.5
2024 ROE (%)	16.5	15.3
Dividend yield (%)	3.0	3.1
Portfolio turnover 12M (%)	21.2	-
Sharpe ratio	0.5	0.2
No. of equities	27	420

Source: Bloomberg, VinaCapital's forecast

Sector allocation

% Total NAV



Top holdings

Equity	Sector	% NAV
FPT	Information Technology	15.0
MBB	Banks	7.4
QNS	Consumer Staples	5.0
STB	Banks	4.5
FMC	Consumer Staples	4.5
SZC	Industrials	4.5
PVS	Energy	4.3
PTB	Materials	3.8
DPR	Materials	3.5
PNJ	Consumer Discretionary	3.0

Comments from fund manager

STOCK MARKET UPDATE

After rising 6.4% in November, the VN-Index continued to advance in December, increasing 3.3%. Gains were consistent across most sectors, except for Energy, which dropped 0.6% MoM, and the Consumer Discretionary, which outperformed the market and increased 7.5% MoM, led by MWG (+11.2% MoM).

Liquidity declined 4% MoM in December, with the average trading value on the combined three bourses reaching VND 18.5 trillion/day. There was heavy selling pressure from foreign investors, who net sold VND 10.1 trillion on the combined three bourses, making this one of only three months since 2015 during which foreign investors net sold over VND 10 trillion. The primary reasons behind the heavy foreign selling were end-of-year portfolio restructurings due to changes in the global economic situation as well as profit-taking by Thai investors prior to a new tax law on overseas investment income in that country taking effect from the start of 2024. Therefore, we believe this net selling pressure is likely to be short-term. However, the good news is that domestic investors bought most of the net-sold shares, showing their confidence in the stock market's outlook.

Regarding Q4 macro data, the economy grew by 6.72% YoY in Q4 2023, resulting in 5.05% GDP growth for the full year of 2023, which confirmed the economic recovery trend. The industry and construction sector (which grew by 7.35% YoY and contributed 42.6% to economic growth) and the service sector (which grew by 7.29% and contributed 49.9% to growth) boosted Q4 GDP data. Importantly, within the service sector, real estate business grew by 2.1% YoY in Q4, breaking a three quarter-streak of declines, indicating that the real estate industry has started to recovery.

The VN-Index rose by 12.2% in 2023. Despite the market volatilities during the year, we think this was a reasonable performance, considering the positive and negative factors in the market, the macro situation, and the business performance of listed companies, as well as market expectations for 2024.

As we enter 2024, we believe that the market will be supported by the recovery of Vietnam's economy and the results of listed enterprises, as well as low interest rates and the potential for Vietnam's stock market to be upgrade to an emerging market. Coupled with a reasonable valuation (P/E for 2024 is around 10x), we maintain a positive outlook for the stock market in 2024.

UPDATES ON VINACAPITAL-VESAF

VINACAPITAL-VESAF achieved a return of 30.9% in FY2023 and a 3-year annualized return of 18.2%. The fund has maintained a bottom-up stock selection strategy to invest in companies with high long-term earnings growth prospects based on their niche competitive advantages and proactive business strategies. This approach was resulted in the portfolio's attractive valuation and higher earnings growth than the broader market. At the end of 2023, VINACAPITAL-VESAF's portfolio was trading at a 2024 P/E valuation of 8.9x and forecasted EPS growth of 42.4% for 2024.

FPT and MBB were major contributors to the portfolio in December, with respective returns of 4.6% and 4.8%. Banking stocks started to attract flows due to attractive valuations and the expected economic recovery in 2024. Banks with low funding costs, diversified customer bases, active strategies in lending to real estate while expecting the early recovery in residential real estate, will be winners in earnings prospects, which will be reflected in share prices.

In 2024 we are targeting a portfolio focused on companies with a recovery in revenues and profits, and we are increasing portfolio exposure to selected companies in consumers, real estate (both residential and industrial), and infrastructure. Companies that can deliver higher earnings growth than the broader market deserve higher valuations.

Monthly returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	1.2%	12.5%	1.4%	3.4%	14.1%	6.3%	-1.2%	6.2%	3.7%	6.7%	0.0%	-0.7%	67.0%
2022	-0.8%	4.9%	3.9%	-5.6%	-2.9%	-5.8%	-1.6%	5.5%	-10.2%	-11.3%	-1.8%	-0.1%	-24.4%
2023	9.9%	-5.2%	2.1%	1.8%	5.7%	3.5%	9.4%	3.8%	-1.2%	-11.2%	8.2%	2.5%	30.9%

Important information

The information contained herein has been prepared by VinaCapital Fund Management Joint Stock Company (the "Company") and is subject to updating, revision, further verification and amendment without notice.

The information does not constitute and/or form part of any offer for sale or solicitation of any offer to buy or subscribe for any securities nor shall they or any part of them form the basis of or be relied on in connection with, or act as any inducement to enter into, any contract or commitment whatsoever. Forward-looking information is based on the estimates and/or opinions of the Company at the time the statements are made, and is therefore, of no obligation to be updated or corrected to changing circumstances.