

VINACAPITAL-VIBF

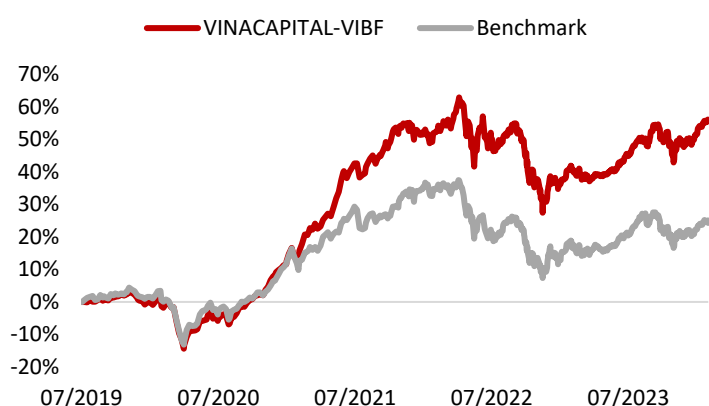
Investment approach

The Fund has a goal of providing investors with exposure to potential equity appreciation while also investing in fixed income to reduce overall portfolio volatility. The Fund has a standard allocation of 50%/50%.

The Fund focuses on investing into companies with strong fundamentals, large market shares, good corporate governance, healthy financial status and reasonable valuations compared to their potential upside.

The Fund will also take positions in bills, bonds, certificate of deposits, and other fixed-income products issued by creditworthy companies with sustainable profitability and high capital adequacy.

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-VIBF | BM |
|---------------------------------------|------------------|------|
| Total AUM (VND billion) | 433.4 | |
| NAV/Share | 15,545.0 | |
| Jan 2024 return (%) | 2.6 | 1.7 |
| YTD 2024 return (%) | 2.6 | 1.7 |
| 3-year annualized return (%) | 11.5 | 4.4 |
| Annualized return since inception (%) | 10.1 | 4.9 |
| Cumulative return since inception (%) | 55.5 | 24.3 |

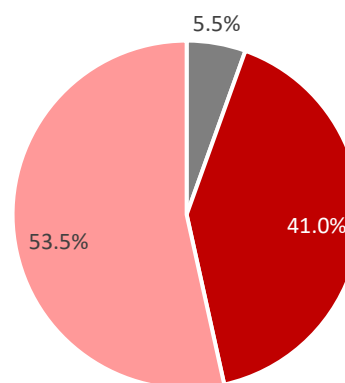
(The NAV is net of management fee and administrative expenses)

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Investment allocation

% Total NAV



■ Cash ■ CD & Bonds & Deposits ■ Equity

Fund information

| | |
|--------------------------------|-------------------------------------------------------------------------------|
| Inception | 2/7/2019 |
| 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 (BM) | Average of VN-Index and 12-month VND denominated deposit rate by Vietcombank. |

Equity portfolio statistics

| | VINACAPITAL-VIBF | BM |
|--------------------|------------------|------|
| 2024 P/E (x) | 8.3 | 10.0 |
| 2024 P/B (x) | 1.8 | 1.5 |
| 2024 ROE (%) | 17.9 | 14.9 |
| Dividend yield (%) | 3.1 | 2.9 |
| No. of equities | 19 | 417 |

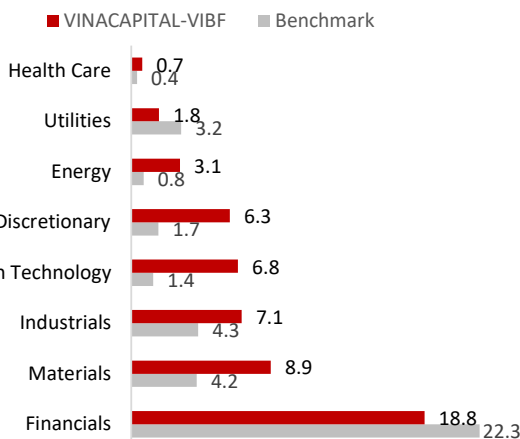
Fixed-income portfolio statistics

| | |
|---------------------------|-----|
| Macaulay Duration (years) | 0.9 |
| Yield-To-Maturity (%) | 6.2 |

Source: Bloomberg, VinaCapital's forecast

Equity sector allocation

% Total NAV



Top holdings

| | Ticker | Sector | Weighted (%) |
|--------|-------------|------------------------|--------------|
| Equity | MBB | Financials | 7.0 |
| | FPT | Information Technology | 6.8 |
| | ACB | Financials | 4.0 |
| | PNJ | Consumer Discretionary | 3.7 |
| | PVD | Energy | 3.1 |
| Bond | KDHH2225001 | Real Estate | 8.5 |
| | TN1122016 | Real Estate | 5.8 |
| | BAF122029 | Consumer Staples | 4.8 |

Comments from fund manager

BOND MARKET UPDATE

In the corporate bond market, the total issuance in January 2024 was VND6.46 trillion, a 12-fold increase from the same period last year. This value came from only four non-bank issuers, with the real estate sector accounting for 81.4% and the construction sector accounting for 18.6%. Specifically, there were three issuers in the real estate sector: Vingroup (VIC), HCM City Infrastructure Investment (CII), and Transport Investment and Development JSC, with total issuance values of VND2 trillion, VND2.8 trillion, and VND450 billion, respectively. The remaining issuer was BOT Ninh Thuan Province Company (a related party of CII Group through an indirect ownership) in the construction sector, with an issuance value of VND1.2 trillion.

(to be cont. in next column)

Comments from fund manager (Cont.)

EQUITY MARKET UPDATES

Vietnam's stock market has begun 2024 on a positive note. Following increases of 6.4% in November and 3.3% in December 2023, the VN-Index continued its upward trajectory with a 3.0% rise in January 2024.

As highlighted in last month's report, the Q4 2023 economic data further affirmed the economy's recovery momentum. Additionally, interest rates on bank deposits remain at historically low levels, while inflation and exchange rates remain relatively stable. The Government continues to implement supportive policies for businesses and public investment. In terms of credit growth, the State Bank of Vietnam has set a target of 15% from the outset of 2024. This differs from previous years when credit growth quotas were incrementally allocated throughout the year. This upfront allocation of 15% credit growth aims to facilitate credit institutions in meeting the capital demands necessary for economic growth.

Global stock markets also exhibited positive trends, with the S&P 500 index consistently reaching new highs and posting a gain of 1.6% in January 2024.

In the domestic market, after nine consecutive months of net selling, foreign investors resumed net buying, totaling VND1.2 trillion in January 2024 across the combined three bourses. While foreign investors account for only 15% of the total market transaction value, their renewed interest has bolstered domestic investors' confidence in the stock market's prospects for 2024.

Listed companies have announced their full-year 2023 business results. The aggregate profit of businesses on the combined three bourses decreased by 4.6% compared to 2022. Sectors such as Banking and Financials, Industrials (primarily seaport and aviation businesses, and Information Technology saw profit growth, while the Real Estate and Consumer Goods sectors experienced declines in 2023 profits.

However, focusing on Q4 2023 alone, the total profit of listed companies increased by 4.4% QoQ and surged by 32.2 YoY, indicating an overall recovery phase for listed companies.

Based on recent macroeconomic data and business trends of listed companies, we maintain a positive outlook for Vietnam's stock market in 2024. With a P/E ratio of approximately 10x at the end of January 2024 and persistently low interest rates, coupled with the recovery trend of listed enterprises, Vietnamese stocks have significant potential for higher valuations.

FUND COMMENTARY

VINACAPITAL -VIBF delivered a solid performance in January, with its NAV per share increasing by 2.6%, outperforming the benchmark's increase of 1.7%. The main drivers of the fund's alpha were the Banking and Consumer Discretionary sectors, which delivered strong returns in January.

The Banking sector, which accounted for nearly 19% of the portfolio, rose due to attractive valuations and improved fundamentals. MBB, VCB, ACB, and STB were some of the top performers in this sector, with remarkable profit growth compared to the industry average. MBB's profit growth met expectations for 2023, with PBT reaching VND26.3tn (+15.7% YoY) thanks to strong loan growth (+28% YoY) and reduced provision expenses (-24% YoY). NPLs were maintained at a low level of 1.6%. The bank also continued to aggressively acquire customers. By the end of 2023, MBB had 26 million customers using their mobile banking app, a 30% YoY increase. Other banks in the portfolio outperformed VinaCapital's coverage, with average net profit growth of 6%, including VCB (+10.5% YoY), ACB (+17.2% YoY), and STB (+53.1% YoY).

The Consumer Discretionary sector, which includes MWG and PNJ, showed signs of recovery in January. Like most companies in the sector, MWG and PNJ had poor performances in 2023, with MWG posting net revenue of VND118.3tn (-11% YoY) and NPAT-MI of VND168bn (-96% YoY), and PNJ posting net revenue of VND33.1tn (-2.2% YoY) and NPAT of VND2.0tn (+8.9% YoY). The outlook for Consumer Discretionary is better this year as the low interest environment is expected to boost domestic consumption.

The fund's valuation is very attractive relative to the benchmark, with 2024E P/E and P/B ratios of 8.3x and 1.8x, compared to 10x and 1.5x for the benchmark. The fund's strategy for the year ahead continues to be concentrating on stock selection and pursuing growth opportunities, while paying attention to valuation and management quality.

Monthly returns

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|------|-------|-------|------|-------|-------|-------|-------|------|-------|-------|-------|------|--------|
| 2022 | -0.1% | 1.9% | 3.1% | -2.8% | -1.6% | -1.7% | -0.8% | 3.9% | -5.9% | -5.5% | -1.5% | 0.5% | -10.5% |
| 2023 | 4.0% | -2.8% | 0.6% | 0.5% | 1.0% | 2.9% | 3.8% | 1.3% | -1.0% | -5.3% | 3.7% | 2.2% | 11.2% |
| 2024 | 2.6% | | | | | | | | | | | | 2.6% |

Important information

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