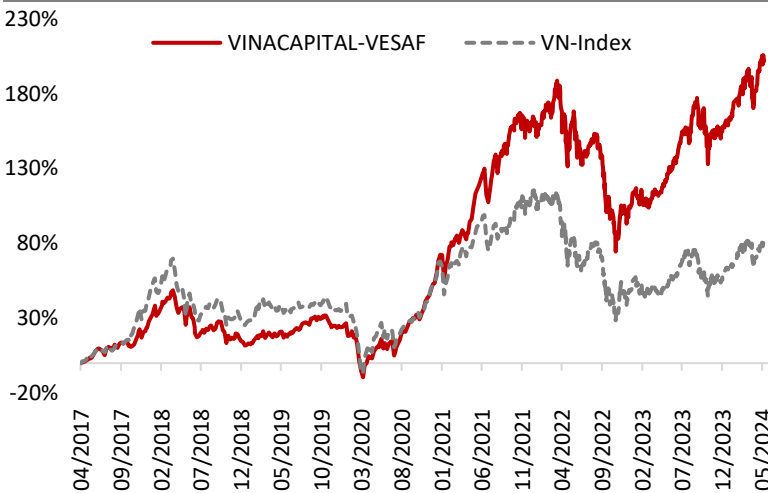


VINACAPITAL-VESAF Investment approach

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)	2,112.5	
NAV/Share (VND)	30,151.0	
May 2024 return (%)	6.9	4.3
YTD 2024 return (%)	16.7	11.7
3-year annualized return (%)	12.2	(1.7)
Annualized return since inception (%)	16.8	8.4
Cumulative return since inception (%)	201.5	77.9

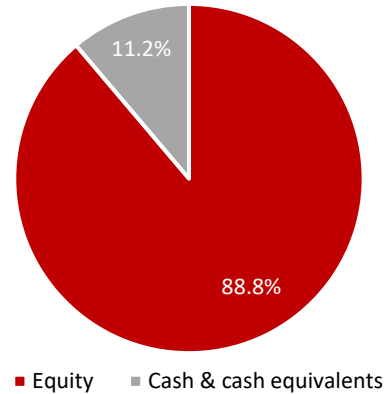
(The NAV is net of management fee and administrative expenses)

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

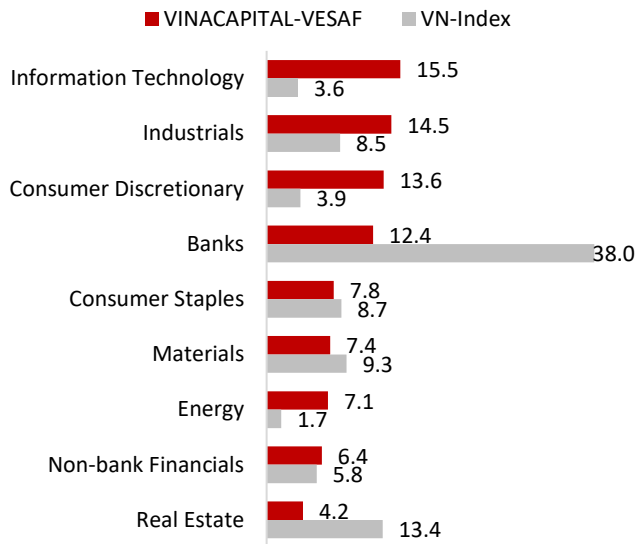
Portfolio statistics

	VINACAPITAL-VESAF	VN-Index
2024 P/E (x)	11.4	11.3
2024 P/B (x)	2.6	1.7
2024 ROE (%)	22.7	14.3
Dividend yield (%)	2.6	3.2
Portfolio turnover 12M (%)	18.9	-
Sharpe ratio	0.6	0.2
No. of equities	25	401

Source: Bloomberg, VinaCapital's forecast

Sector allocation

% Total NAV



Top holdings

Equity	Sector	% NAV
FPT	Information Technology	15.5
MBB	Banks	9.6
MWG	Consumer Discretionary	5.0
PTB	Consumer Discretionary	4.9
PVS	Energy	4.3
FMC	Consumer Staples	4.0
QNS	Consumer Staples	3.8
PNJ	Consumer Discretionary	3.7
DPR	Materials	3.6
SZC	Industrials	3.1

Comments from fund manager

STOCK MARKET UPDATE

May saw the VN-Index increase by 4.3%, a nice recovery after April's 5.8% decline. Since the beginning of the year, Vietnam's stock market has increased by 11.7%.

Despite the fact that foreign investors were net-sellers of VND 19 trillion in May, a record amount for one month, this selling pressure was fully absorbed by domestic investors, with liquidity maintained at an encouraging level. Average daily trading value for the month was VND 25.1 trillion, up 3% MoM.

As we mentioned in last month's report, the Q1 business results of listed companies, published at the end of April, were quite positive, with the aggregate net profit of listed companies growing by 12.1% YoY. Eight out of eleven sectors recorded profit growth.

Economic indicators in May revealed several positive developments. The most significant were the expansion in industrial manufacturing and the increase in trade. The manufacturing index grew by 10.6% YoY in May and by 7.3% YoY in 5M24. Vietnam's exports increased by 15.2% in 5M24, driven by a 33.4% growth in electronics and computer goods. Imports rose by 18.2% in 5M24, with May alone seeing a 29.9% YoY increase, as businesses increased the import of production materials to prepare for export orders in the second half of the year. Consequently, it is anticipated that Vietnam's economic growth will be more robust in the latter half of 2024.

Domestic consumption has yet to strongly recover. Retail sales growth only reached 5.2% in 5M24 in real terms. However, the encouraging growth in the manufacturing sector is expected to have a spillover effect on consumer spending in the coming months, positively impacting the business results of consumer goods companies listed on the stock market.

The exchange rate was more stable in May. After increasing by 4.4% in 4M24, the USD/VND exchange rate rose by only 0.5% in May, mainly due to increased USD demand for the import of production materials. With major global central banks expected to start cutting interest rates, we believe that exchange rate pressures should alleviate in the second half of the year.

Compared to 1-2 months ago, we now see more macro factors supporting the stock market. Along with the expectation that listed companies' business results will continue to recover in the coming quarters, we maintain a positive outlook for the stock market.

UPDATE ON VINACAPITAL-VESAF

In May, VINACAPITAL-VESAF outperformed the VN-Index with a fund return of 6.9%. This success was largely attributable to the resilience of two of our largest holdings, FPT and MWG, which saw price increases of 9.3% and 15.9%, respectively. Additionally, our smaller holdings also did well, buoyed by favourable valuations amidst recent market volatility and industry trends that indicate promising growth prospects.

As we anticipate export recovery to be a key theme for Vietnam's stock market in 2024, we strategically added to our positions in PTB and SCS at attractive entry points in mid-2023 and early 2024. PTB's share price rose by 12.4% in May and 25.8% year-to-date (YTD), bolstered by a 41% YoY increase in 1Q24 earnings, a clear indicator of a strong rebound in wood furniture export orders. Furthermore, management has projected significant growth in the coming quarters, driven by expected revenue increases from granite and marble sales linked to bids for the Long Thanh and Noi Bai airport expansion projects. SCS shares also performed well, climbing 12.5% in May and 28.8% YTD. The company's outlook for 2024 is optimistic, thanks to a resurgence in global demand. Notably, SCS's international cargo volume expanded by 46% in the first five months of 2024, partly due to its increased market share at Tan Son Nhat airport, which rose to 47%—a jump from 39%—following the onboarding of new client Qatar Airways in February 2024. Excluding Qatar Airways, international cargo volume grew by 21% YoY while domestic volume saw a 29% increase.

The current low-interest-rate environment has also created favourable conditions, particularly benefiting brokerage firms, which have not only enjoyed a boost from market sentiment but also growth in margin lending profits and prop-trading activities. During the market correction, we added smaller brokerage names VDS and TCI to our portfolio, attracted by their compelling valuations relative to larger peers. In May, VDS and TCI's share prices surged by 33.2% and 15.5%, respectively. We project robust earnings growth for these firms in the current year, underpinned by the aforementioned fundamentals. PVT emerged as another significant alpha generator for the fund, yielding a 21.5% return in May and a 35% gain relative to our average purchase price. The company has consistently delivered consistent growth and operational efficiency over the past five years in its oil tanker business. Looking ahead, PVT's prospects are supported by robust tanker rates, with tonne-mile demand outstripping tanker supply growth. Additionally, the company's strategic fleet expansion into long-haul routes to the EU and US is expected to be a major driver of earnings, contributing to a projected core profit CAGR of 14% for the period 2024-26.

Monthly returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
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%
2024	2.5%	5.7%	5.2%	-4.3%	6.9%								16.7%

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.