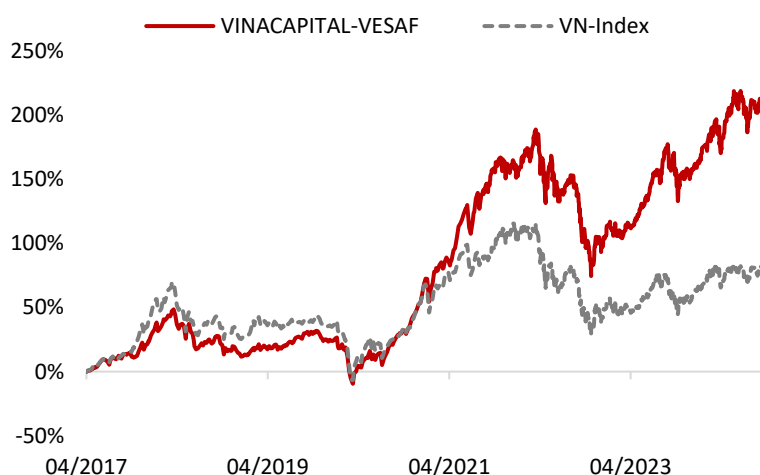


VINACAPITAL-VESAF

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)	2,452.5	
NAV/Share (VND)	31,127.1	
Sep 2024 return (%)	0.2	0.3
YTD 2024 return (%)	20.5	14.0
3-year annualized return (% p.a.)	8.1	(1.4)
5-year annualized return (% p.a.)	18.9	5.3
Annualized return since inception (% p.a.)	16.5	8.3
Cumulative return since inception (%)	211.3	81.6

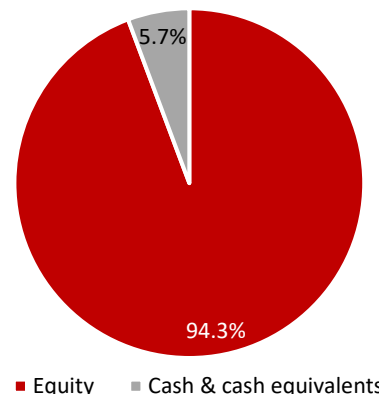
(The NAV is net of management fee and administrative expenses)

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Investment allocation

% Total NAV



Fund information

Inception	18 Apr 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

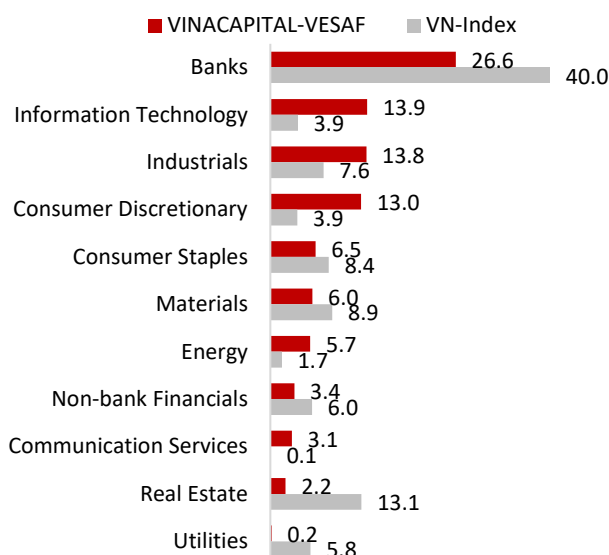
Portfolio statistics

	VINACAPITAL-VESAF	VN-Index
2024 P/E (x)	11.2	12.4
2024 P/B (x)	1.9	1.8
2024 ROE (%)	16.6	14.7
Dividend yield (%)	2.7	2.9
Portfolio turnover 12M (%)	25.8	-
Sharpe ratio	0.6	0.2
No. of equities	28	410

Source: VinaCapital's forecast

Sector allocation

% Total NAV



Top holdings

Equity	Sector	% NAV
FPT	Information Technology	13.9
MBB	Banks	9.8
MWG	Consumer Discretionary	6.1
GMD	Industrials	5.3
VIB	Banks	4.7
ACB	Banks	4.7
CTG	Banks	4.5
PTB	Consumer Discretionary	3.5
PVS	Energy	3.5
DPR	Materials	3.4

Comments from fund manager

MARKET UPDATE

The VN-Index continued to experience volatility in September, although it managed to close the month with a slight increase of 0.3%. September started with cautious sentiment in the stock market due to Typhoon Yagi's economic impact. However, the VN-Index rebounded by month's end for several reasons: (1) The U.S. Federal Reserve reduced interest rates by 50 bps, its first cut in over two years; (2) China introduced its largest economic stimulus since COVID-19, including monetary easing and support for real estate and stocks; (3) On September 18, Vietnam's Ministry of Finance issued Circular 68/2024/TT-BTC, eliminating pre-funding requirements for foreign institutional investors, a step toward upgrading Vietnam's stock market status by FTSE Russell.

On a year-to-date basis, the VN-Index has increased by 14.0%, approaching the psychological threshold of 1,300 points.

Liquidity in the stock market slightly decreased in September. The average daily trading value across the combined three bourses fell to an 11-month low of VND 17.7 trillion, a 4.5% MoM decrease. On a positive note, foreign investors returned to net buying in September after eight consecutive months of net selling. Excluding the sale of 148 million shares of VIB by a foreign shareholder (equivalent to 4.97% of VIB's outstanding shares), foreign investors were net-buyers of VND 478 billion in September.

Vietnam's economy surpassed expectations in Q3/2024, with GDP growing 7.4% YoY, driven by an 11.4% rise in manufacturing. Exports and imports rose by 15.8% and 17.2% YoY, totaling USD 108.6 billion and USD 99.7 billion, respectively. The trade surplus hit USD 8.9 billion in Q3 and USD 20.8 billion in the first nine months of 2024, aiding exchange rate stability.

GDP growth for the first nine months of 2024 hit 6.8%, aligning well with the yearly target of 7%. However, concerns remain, including a slow recovery in domestic consumption, with retail sales up only 5.8% YoY in real terms, and public investment disbursement reaching just 47.3% of the annual plan, down from 51.4% in 2023. Additionally, the Purchasing Managers' Index (PMI) dropped to 47.3 in September, the lowest since last November, impacted by Typhoon Yagi.

FUND UPDATE AND INVESTMENT OUTLOOK

The NAV per unit of VINACAPITAL-VESAF rose by 0.2% in September, compared to a 0.3% increase in the VN-Index. This mirrors the Q3/2024 trend where the index generally trended upward, driven by blue-chip stocks (underweighted by the portfolio), while monthly liquidity conversely dropped to multi-year lows. SMID-cap stocks, including some within the portfolio, fell out of favor and underperformed the market in Q3 and September. Overall, the portfolio grew by 2.2% during Q3/2024, while the VN-Index increased by 3.4%.

Our analysis shows that despite lower currency depreciation pressure, reduced short-term interbank rates, and accommodative monetary policies by the State Bank of Vietnam (SBV), local deposit rates, particularly at private banks, rose 20-30 bps in Q3. This typically challenges market liquidity and often results in underperformance for SMID-caps.

The rise in Q3 deposit rates is due to short-term liquidity challenges in the banking sector, despite the SBV's readiness to provide support. With loan growth outpacing deposit growth to support borrowers, some banks had high loan-to-deposit (LDR) ratios and sought more deposits to ensure compliance with SBV requirements. We expect these issues will gradually ease as the economy recovers solidly.

On the corporate front, our portfolio companies continued to show operational improvement. Business performance for August met expectations for both FPT and Mobile World (MWG), while preliminary estimates suggest a robust September for Phu Nhuan Jewelry (PNJ). At end-September, VINACAPITAL-VESAF delivered a year-to-date (YTD) return of 20.5%, compared to the VN-Index's 14.0%. Despite market hurdles, we view this as a strong outcome, aligning well with the fund's 5-year annualized return of 18.9% and an inception-to-date annualized return of 16.5%.

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%	1.0%	0.2%	1.8%	0.2%				20.5%

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.

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