

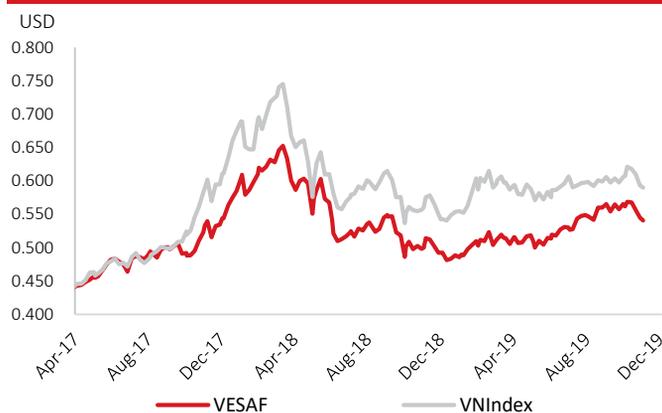
VESAF is a fund that invests in all equity opportunities unencumbered by foreign restriction or size. The strategy of the fund is to take meaningful stakes in companies with a robust franchise that we believe can benefit from the domestic growth of the country.

PERFORMANCE SUMMARY

	Fund	VN Index
Dec 2019	-0.5%	-0.9%
Year-to-date	9.3%	7.7%
Cumulative since inception	22.2%	32.9%

* Performance figures are in USD (net off operating and management fees)

PERFORMANCE CHART



TOP 5 HOLDINGS

HOLDINGS	SECTOR	NAV (%)	PE 2019 (x)	ROE (%)
FPT	Technology	14.8%	12.2	20.6
MWG	Consumer Discretionary	10.8%	13.3	36.6
MBB	Financials	9.2%	6.2	21.0
ACB	Financials	4.2%	6.1	25.1
PNJ	Consumer Discretionary	4.0%	16.4	28.5
Total		42.9%		

EQUITY ALLOCATION

Small- & mid- cap	63%
Stocks traded on UPCoM	3.0%
Stocks at full Foreign Ownership Limit	63%

- Small- & mid- cap: stocks with market capitalization below US\$2 billion
- UPCoM: Unlisted Public Company Market

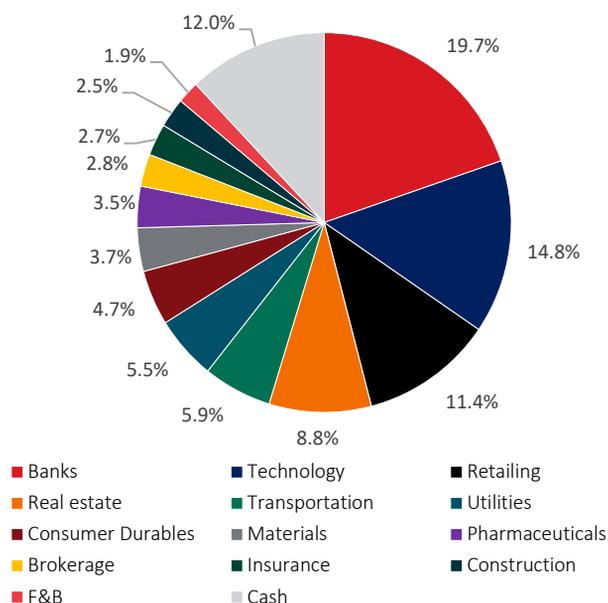
MANAGER'S COMMENTARY

2019 was a difficult market for all equity investors due to high volatility and quick change in sentiment by the retail investors. Foreign inflow was also significantly lower than 2018, partly due to the lack of large IPOs and State divestments. Nevertheless, the VN-Index increased 7.7% in USD terms in 2019, with a large cap rally in Q1 and a full foreign-room stocks rally in Q3. The market was supported by the remarkable macro achievements of Vietnam and a 12% growth in the earnings of listed companies along with steady improvement of legal frameworks.

Despite the difficult market, the fund did very well, returning 9.3% in USD terms. It is a testament to our disciplined bottom-up stock picking approach with primary and consistent focus on small- and mid-cap stocks, especially those at full FOL, trading at attractive valuations and having above-market average earnings growth. This strategy helped to protect our performance during volatile market conditions. During the year, we maintained an average of 65% exposure of equity holdings on selective stocks with no available foreign room with largest holdings in FPT and MWG. These two stocks yielded the best performance among the top 15 full-FOL stocks in Vietnam market, returning 60% and 31%, respectively on estimated EPS growth of 24% and 32%, respectively in 2019. The portfolio had an attractive 2020 P/E valuation of 8.7x and EPS growth of over 18%, compared to the 10%-12% growth of Vietnam market.

We think 2020 will be another challenging and volatile year and would like to maintain the same disciplined stock picking strategy that has helped us in the past. Although Vietnam economy is expected to remain strong in 2020 with high domestic consumption and foreign investment inflows to take advantage of improving infrastructure and labor skills, the stock market is still vulnerable to uncertain external factors as it was shown in the last two years. On the bright side, we see Vietnam market is trading at a wider discount of 18% to regional peers at the end of 2019, while EPS growth is forecasted at 12% for 2020. Banking, retail, technology, utilities and industrials are our preferred sectors for 2020, which we believe will well capture the currently low penetration, with strong growth driven by the continued emergence of a middle class as well as the wave of foreign investment in Vietnam. Besides the high-growth stocks, we also target to balance the portfolio towards some defensive stocks with good dividend yield.

SECTORS ALLOCATION



FUND INFORMATION

Structure	Open-ended fund
Launch date	25 April 2017
Fund size	VND277bn (USD11.9m)
Domicile	Vietnam
Valuation policy	NAV
NAV frequency	Weekly
Fund Manager	VinaCapital Fund Management JSC
Auditor	PwC (Vietnam) Ltd
Administrator & Custodian bank	Standard Chartered Bank (Vietnam) Ltd
Management fee	1.75%
Subscription/ Redemption frequency	Weekly on every Tuesday (T), requests must be submitted by 10:30am on T-1
Subscription charges	Subscription amount below VND2bn: 2% Subscription amount of VND2bn or above: 0%
Redemption charges	None
Currency	VND

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Disclaimer

The current Prospectus, the Fund Charter as well as the semi-annual, annual reports of Vietnam Equity Special Access Fund (“the Fund”) are the sole binding basis for the purchase of Fund shares. These documents can be obtained in English and free of charge from the Investment Manager’s website (www.vinawealth.vn/en). This document is prepared by VinaCapital Fund Management Joint Stock Company (“VinaCapital”) for the information of shareholders in the Fund and other eligible recipients, on the basis of information obtained from sources VinaCapital considered to be reliable, but VinaCapital does not make any representation or warranty, express or implied, as to its accuracy, completeness, timeliness or correctness. The information contained in this document is for background purposes only and is subject to updating, revision and amendment, and no liability whatsoever is accepted by VinaCapital or any other person, in relation thereto. Please refer to the Fund’s prospectus for more information on the Fund and its risks. This document is neither a prospectus nor an offer or invitation to apply for shares and neither this document nor anything contained herein shall form the basis of any contract of commitment whatsoever. Past performance is not necessarily guidance to the future. The value of shares in the Fund and the income derived there from may go down as well as up. You are advised to exercise caution in relation to this document. If you are in any doubt about this document or any information contained in this document, you should obtain independent professional advice. The information contained in this document is strictly confidential and is intended only for the use of the individual or entity to which VinaCapital has provided the report. No part of this report may be reproduced or distributed without the prior consent of VinaCapital.