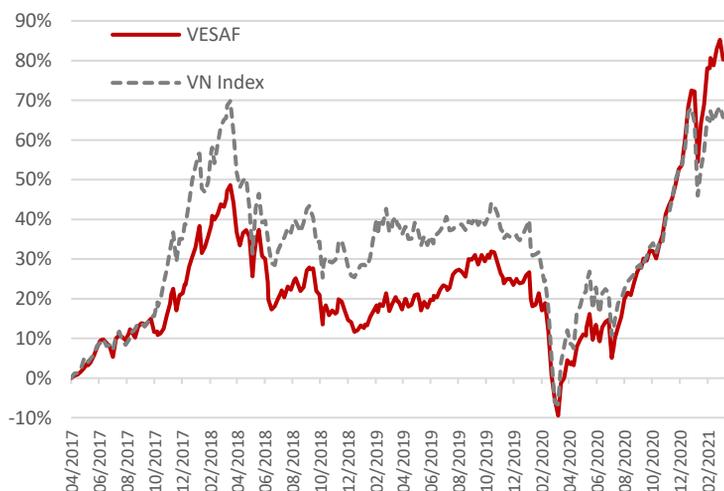


VESAF Investment approach

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 shares. Current performance may be higher or lower than the performance data quoted.

Fund Performance

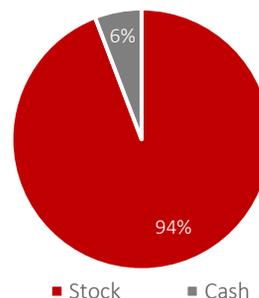
	VESAF	VN Index
Total AUM (VND billion)	395.4	
NAV/Share (VND)	18,066.5	
March 2021 (%)	1.4	2.0
YTD return (%)	15.5	7.9
2020 return (%)	25.6	14.9
Since inception return (%)	80.7	68.0
Annualized return since inception (%)	16.2	14.1

(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 April 2017
Management fee	1.75% per annum
Subscription fee	0.0%
Redemption fee	<ul style="list-style-type: none"> 2.0% < 12 months 1.5% >= 12 months 0.5% >= 24 months
Minimum subscription	VND2,000,000/ ~USD90
Custodian and Supervisory Bank	Standard Chartered Bank Ltd. (Viet Nam)
Auditor	PwC Vietnam
Trading frequency	Once a week, on Tuesday

Portfolio statistics

	VESAF	VN Index
Trailing P/E (x)	15.7	18.5
Trailing P/B (x)	2.4	2.5
Trailing ROE (%)	17.9	13.6
Dividend yield (%)	1.9	1.3
EPS growth 2021 (%)	33.8	24.4
Portfolio turnover 12M (%)	49.8	
Sharpe ratio	0.59	0.43
No. of stocks	27	397

(Trailing 12 months data)

Source: Bloomberg, VinaCapital's forecast

Comments from fund manager

MARKET COMMENTARY

Vietnam’s stock market traded in a narrow range in March after a 10.6% surge in February, closing the month at 1,191 with a return of 2.0%. The VN Index faced challenges surpassing the historically high level of 1,200 due to ongoing foreign selling while local investors seemed hesitant to invest given the technical congestion issues with the HoSE trading system. The VN Index’s performance, however, still ranked as one of the best among the regional ASEAN markets, and continued to reign as the market leader with a year-to-date return of 8.0% in USD terms, compared to an average decline of 3.8% for its regional peers.

Despite these challenges, trading activities were still strong, with average trading value on HoSE increasing by 10.5% over the last month, which was attributable to the strong buying activity of local investors during each market correction. New retail account openings hit record high in March, up 58% compared to the average number of the first two months. The concern about heavy foreign selling was somewhat alleviated towards month-end, with expected new inflows from the Fubon FTSE Vietnam ETF (Taiwan) in the coming period. The fund announced that it raised VND4.3 trillion during its IPO in March and expected to increase the fund size to over VND8.0 trillion by year-end.

The financial (+3.3%) and real estate (+2.3%) sectors were the key drivers of the Index’s return in March. Banking stocks continued to deliver strong performance thanks to encouraging 1Q earnings growth of 76% y-o-y, which exceeded market expectation. NIM expansion and lower provisioning pressure for restructured loans resulting from the strong economic recovery were the major contributors to banks’ earnings. Additionally, Vingroup (VIC), the largest stock on HoSE, increased 8.2% m-o-m and was the market leader in real estate sector in March, contributing over one-third of the Index’s return.

Vietnam’s economic recovery continued to be on track, with 1Q GDP growth reported at 4.5% y-o-y (1Q20: 3.7%), driven by a 9.5% increase in manufacturing and a 4.5% increase in domestic consumption. More importantly, inflation pressure eased, with March CPI decreasing by 0.3% m-o-m and 1Q’s average CPI increasing only 0.3% y-o-y, with minimal impact of rising commodity prices.

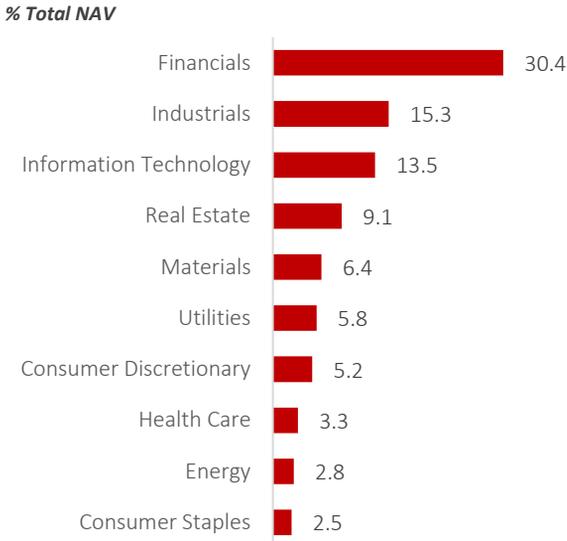
We expect the stock market to maintain its upward trajectory on the back of positive macro-economic indicators, as well as new capital inflows from foreign investors. The full-year strong earnings outlook will continue to support the market’s valuation and investor sentiment, as many listed companies have provided guidance for earnings growth of over 20% for the year.

FUND COMMENTARY

The fund returned 1.4% during March compared to the Index’s return of 2.0%. Banking stocks were the major contributors during the month, with VPB (+11.6%), CTG (+7.8%) and TCB (+2.9%) reporting 1Q preliminary earnings growth of 37%, 152% and 92% respectively. Pharmaceutical company IMP returned 15.6% on both a strong earnings performance (with 2M21 PBT growth of 39% y-o-y) and the on-going accumulation of a larger stake strategic shareholder SK Group. VCI returned 18.8% and was among the best performers in the brokerage sector during the month.

We maintain our positive view on Vietnam’s stock market and continue to accumulate positions in the financial sector as well as small and mid-cap stocks with strong business models and earnings outlooks.

Sector allocation



Top 10 holdings

Stock	Sector	% NAV
FPT	Information Technology	13.5
MBB	Financials	8.1
ACB	Financials	5.9
MWG	Consumer Discretionary	5.2
HPG	Materials	4.6
KDH	Real Estate	4.3
TCB	Financials	4.2
REE	Industrials	3.9
GMD	Industrials	3.9
VPB	Financials	3.7

Important information

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

The information contained herein has not been approved by any listing authority or any investment regulator. The information does not constitute 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 opinions of the Company’s at the time the statements are made. The Company assumes no obligation to confirm or update forward-looking statements should circumstances or management’s estimates or opinions change.

No undertaking, representation, warranty or other assurance, express or implied, is made or given by or on behalf of the Company or any of its directors, officers, partners, employees, agents or advisers or any other person as to the accuracy or completeness of the information or opinions contained herein and no responsibility or liability is accepted by any of them for any such information or opinions or for any errors, omissions, misstatements, negligence or otherwise for any other communication written or otherwise.

The information herein may not be reproduced, re-distributed or passed to any other person or published in whole or in part for any purpose. By accepting receipt of this document, you agree to be bound by the limitations and restrictions set out above.

Neither these pages nor any copy of them may be taken or transmitted into or distributed in any jurisdiction where the distribution of such material would be prohibited under the jurisdiction’s applicable securities laws. Any failure to comply with this restriction may constitute a violation of national securities laws.