

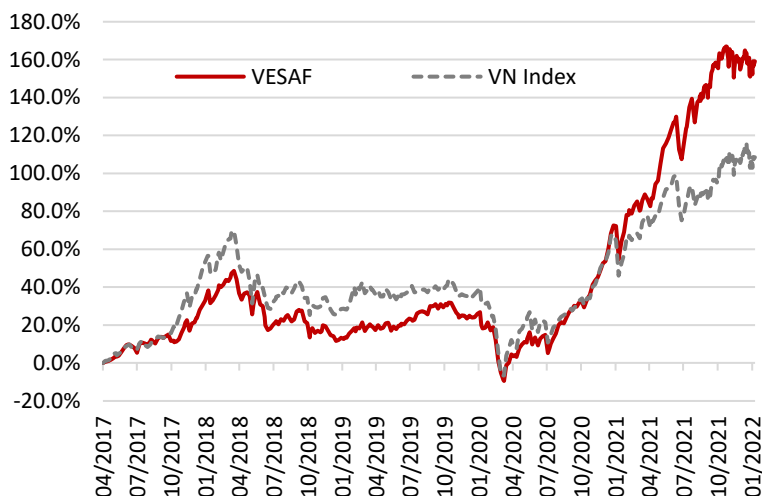
# Vietnam Equity Special Access Fund (VESAF)

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

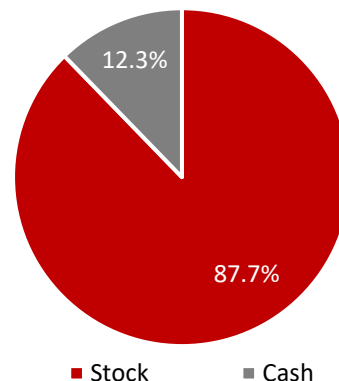
	VESAF	VN-Index
Total AUM (VND billion)	961.8	
NAV/Share (VND)	25,917.4	
Jan 2022 return (%)	(0.8)	(1.3)
YTD 2022 return (%)	(0.8)	(1.3)
3-year annualized return (%)	31.7	17.5
Annualized return since inception (%)	22.1	16.6
Cumulative return since inception (%)	159.2	108.5

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

Investor Relations: [irwm@vinacapital.com](mailto:irwm@vinacapital.com)  
Tel: +84 28 38 27 85 35

## Investment allocation

### % Total NAV



## Fund information

<b>Inception</b>	18 April 2017
<b>Management fee</b>	1.75% per annum
<b>Subscription fee</b>	0.0%
<b>Redemption fee</b>	<ul style="list-style-type: none"> <li>• 2.0% &lt; 12 months</li> <li>• 1.5% &gt;= 12 months</li> <li>• 0.5% &gt;= 24 months</li> </ul>
<b>Minimum subscription</b>	VND2,000,000/ ~USD90
<b>Custodian and Supervisory Bank</b>	Standard Chartered Bank Ltd. (Viet Nam)
<b>Auditor</b>	PwC Vietnam
<b>Trading frequency</b>	Daily, From Monday to Friday

## Portfolio statistics

	VESAF	VN-Index
Trailing P/E (x)	13.9	16.9
Trailing P/B (x)	2.8	2.6
Trailing ROE (%)	20.7	15.6
Dividend yield (%)	2.0	1.2
Portfolio turnover 12M (%)	34.1	-
Sharpe ratio	0.92	0.61
No. of stocks	31	407

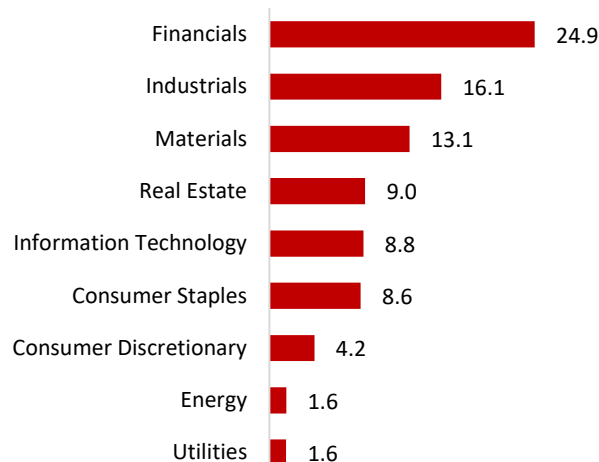
\* Trailing 12 months data

Source: Bloomberg, VinaCapital's forecast

# Vietnam Equity Special Access Fund (VESAF)

## Sector allocation

### % Total NAV



## Top holdings

Stock	Sector	% NAV
MBB	Financials	9.0
FPT	Information Technology	8.8
SZC	Industrials	5.3
KDH	Real Estate	5.3
QNS	Consumer Staples	5.0
VPB	Financials	4.6
MWG	Consumer Discretionary	4.2
PLC	Materials	3.7
KBC	Real Estate	3.7
TCB	Financials	3.0

## Comments from fund manager

### MARKET COMMENTARY

After increasing for five consecutive months, the VN Index declined 1.3% in the first month of 2022. It hit an all-time high of 1,528.6 on 6 January but retreated to close the month at 1,479.0.

Global stock markets were also volatile in January. The MSCI World Index declined 5.5% m-o-m as investors expected the Fed to aggressively hike rates to cope with inflation. In Vietnam, the speculative mid- and small-cap stocks, especially in the real estate sector, declined significantly after having been pushed too high in the previous months. The VN Mid Cap and VN Small Cap Indexes declined 9.3% and 14.8% m-o-m, respectively.

On the positive side, the VN30 Index only declined by 0.2% in January, thanks to the recovery of the banking sector (+8.9% m-o-m), as money flows partially switched from mid- and small-cap stocks. With the economic recovery accelerating post-COVID-19, banks are expected to deliver encouraging business results in 2022. In addition to the banking sector, the utilities and energy sectors also outperformed the market in January, rising 6.9% and 1.9% m-o-m, respectively, thanks to the increase in oil prices.

As of 8 February, 302/421 companies on HOSE (representing 90% of total market capitalization) have announced their Q4 financial results. Despite the impact of the COVID-19 outbreak, those companies recorded Q4 net profit growth of 10% in aggregate. For 2021, their net profit advanced by 38%.

Regardless of the market's volatility in January, we maintain our bullish outlook. Volatility may occur at times due to Fed rate hikes or aggressive trading activities of local retail investors. COVID-19 will also be a risk if the hospitalization rate increases. Nevertheless, we believe that the economic recovery, strong earnings growth, and the market's reasonable valuation will be the dominant themes, enabling the stock market to overcome any negative event.

### FUND COMMENTARY

VESAF declined 0.8% in January. The portfolio was impacted by the correction of the broader market due to profit-taking by retail investors before the long Tet holiday. On the bright side, top holdings MBB and SZC far outperformed the market and their peers.

MBB returned 16.6% in January, compared to the 8.9% return for the banking sector and surpassing all other banks except for BID. MBB beat market consensus with reported strong earnings growth of 82.6% y-o-y in Q4 and 53.7% y-o-y for FY2021. The bank reported one of the highest credit growth rates in Q4 (+9.1% q-o-q) while NIM also recovered over the last quarter. The robust growth of 53.5% y-o-y in non-interest income and eased provision expenses after proactive and aggressive provisioning in 9M21 also supported the bank's earnings performance. We maintain our bullish view on the bank's outlook, as we expect solid growth of 35% and an upbeat ROE of 24.1% in 2022, while the valuation is undemanding at 2022 P/B of 1.6x.

SZC returned 13.5% in January, beating most of its peers' returns. This industrial park developer continued to deliver stellar earnings growth of 187% y-o-y in Q4 due to increasing land sales and land price appreciation. For the full-year 2021, SZC also outperformed its peers on profit recognition during a difficult period with profit growth of 74% y-o-y. We project another good year for SZC with profit increasing nearly 20% in 2022.

## Monthly returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	-3.78%	-1.29%	-23.49%	14.96%	6.35%	-1.29%	-1.40%	12.84%	5.16%	1.18%	10.95%	9.01%	25.56%
2021	1.23%	12.46%	1.45%	3.40%	14.12%	6.25%	-1.21%	6.24%	3.67%	6.71%	0.01%	-0.66%	67.03%
2022	-0.81%												-0.81%

### 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 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, and is therefore, of no obligation to be updated or corrected to changing circumstances.