

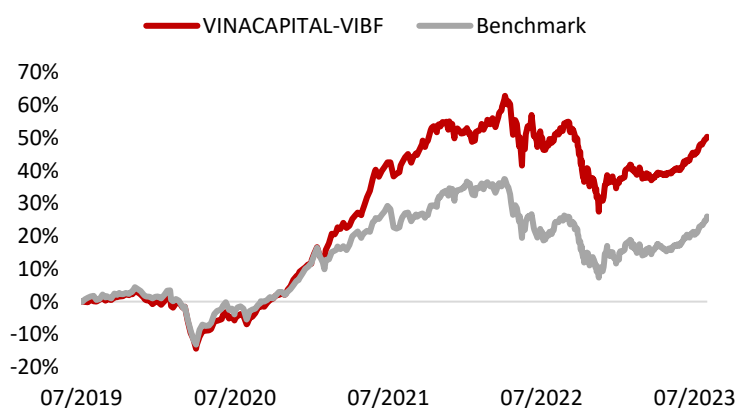
## VINACAPITAL-VIBF Investment approach

The Fund has a goal of providing investors with exposure to potential equity appreciation while also investing in fixed income to reduce overall portfolio volatility. The Fund has a standard allocation of 50%/50%.

The Fund focuses on investing into companies with strong fundamentals, large market shares, good corporate governance, healthy financial status and reasonable valuations compared to their potential upside.

The Fund will also take positions in bills, bonds, certificate of deposits, and other fixed-income products issued by creditworthy companies with sustainable profitability and high capital adequacy.

## 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.

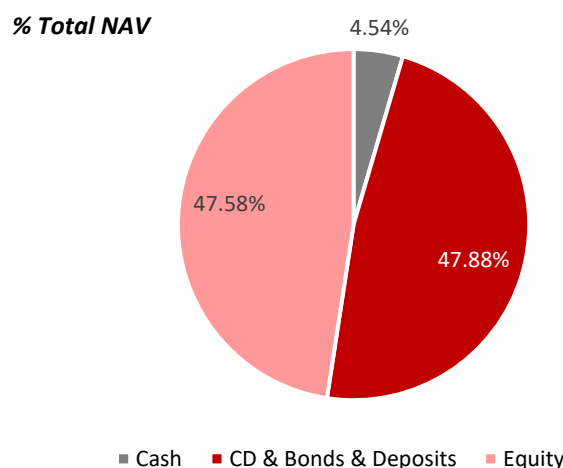
## Fund performance

	VINACAPITAL-VIBF	BM
Total AUM (VND billion)	450.1	
NAV/Share	15,039.5	
Jul 2023 return (%)	3.8	4.9
YTD 2023 return (%)	10.4	12.8
3-year annualized return (%)	17.2	10.7
Annualized return since inception (%)	10.5	5.8
Cumulative return since inception (%)	50.4	26.0

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

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## Investment allocation



## Fund information

Inception	02/07/2019
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 (BM)	Average of VN-Index and 12-month VND denominated deposit rate by Vietcombank.

## Equity portfolio statistics

	VINACAPITAL-VIBF	BM
Forward P/E (x)	11.0	12.1
Forward P/B (x)	2.5	1.7
Forward ROE (%)	20.1	14.0
Dividend yield (%)	2.4	1.6
No. of stocks	22	399

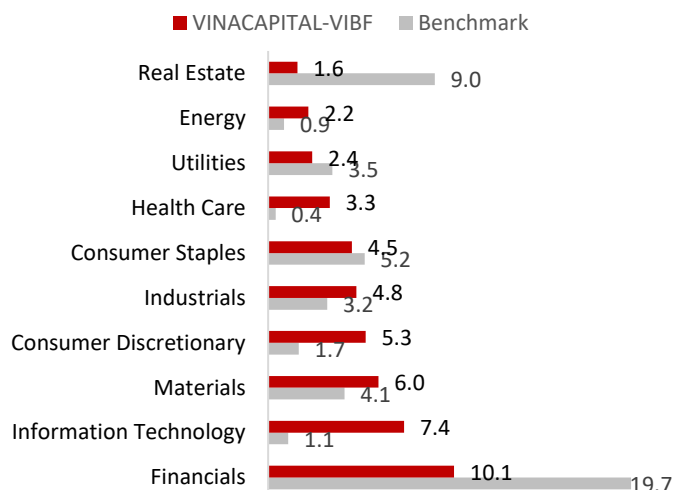
## Fixed-income portfolio statistics

Macaulay Duration (years)	1.0
Yield-To-Maturity (%)	8.4

Source: Bloomberg, VinaCapital's forecast

Equity sector allocation

% Total NAV



Top holdings

	Ticker	Sector	Weighted (%)
Equity	FPT	Information Technology	7.4
	ACB	Financials	3.5
	PNJ	Consumer Discretionary	3.2
	VCB	Financials	3.2
	VNM	Consumer Staples	2.9
Bond	KDH	Real Estate	8.2
	TN1	Real Estate	5.7
	BAF	Consumer Staples	4.7

Comments from Fund Manager

BOND MARKET UPDATE

The Government continues to implement several small policy measures to boost growth. These include ramping up infrastructure spending, with disbursements increasing 43% yoy in 7M23. Additionally, the State Bank of Vietnam’s interest rate cuts prompted local commercial banks to lower their deposit and lending rates. The deposit rate for 6-month and 12-month terms dropped up to 60 basis points month-on-month at the end of July, for a year-to-date total decline of up to 300 basis points at certain banks.

The corporate bond market saw a slight increase in issuance, with a total value of VND25.9 trillion, up 5.6% yoy. The banking sector dominated the market with 53.9% of the issuance, followed by the real estate sector with 21.0%. Bond yields for the banking sector varied from 7.0% to 9.4%, with maturities ranging from 3 to 15 years. In the real estate sector, Capitaland Tower Ltd., a real estate company, issued VND5 trillion worth of convertible bonds at a low yield of 1%, while other developers in the same sector issued VND425 billion worth of bonds at high yields above 12%. There were also six public offerings of bonds totalling VND4.5 trillion, from Nui Phao (VND2.2 trillion), CTG (VND2 trillion), and BAF (VND300 billion). (to be cont. in next column)

Monthly returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-0.4%	8.3%	1.5%	3.3%	9.9%	1.9%	-0.7%	2.0%	2.9%	3.9%	-0.2%	-1.0%	35.2%
2022	-0.1%	1.9%	3.1%	-2.8%	-1.6%	-1.7%	-0.8%	3.9%	-5.9%	-5.5%	-1.5%	0.5%	-10.5%
2023	4.0%	-2.8%	0.6%	0.5%	1.0%	2.9%	3.8%						10.4%

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.

Comments from Fund Manager (cont.)

EQUITY MARKET UPDATE

Following its rally in June, the VN Index continued to rise 9.2% in July, closing at 1,223 points. On a year-to-date basis, the VN Index has increased by 21.4%.

The market has been mainly driven by the trading activities of domestic retail investors, who accounted for 89.4% of total trading value on HOSE in July, a 20-month high and only lower than in November 2021, when the figure reached 90%. In contrast, foreign investors continued to be net-sellers for the fourth consecutive month, with a net-selling value of VND1.8 trillion.

In terms of market liquidity, the average daily trading value on the combined three bourses reached VND21.3 trillion, a 7.5% MoM increase and a 15-month high. Market sentiment has been rather positive, although Q2 business results of listed companies were somewhat below market expectations.

As of August 4, 1,049 listed companies (accounting for 97.4% of the market capitalization on the combined three bourses) have published 2Q23 business results. The aggregate net profit of these companies declined 11.9% YoY. The sectors in which 2Q23 profit slumped are Consumer Discretionary (-79% YoY), Materials (-69.0% YoY), Utilities (-28.7% YoY) and Consumer Staples (-18.1% YoY). The 1H23 results for businesses in the Consumer sectors were impacted by weak consumer demand, coupled with the high base in earnings last year. In the Materials sector, the earnings of steel, chemical and fertilizer companies all subsided. In contrast, the Energy and Brokerage sector recorded strong 2Q23 profit growth of 443% YoY and 427% YoY, respectively, thanks to a low base last year. The Banking sector attained 2Q23 profit growth of only 1.4% YoY as many banks faced pressure from reduced net interest margins, rising bad debts along with weak credit growth. The surprise came from the Real Estate sector, with 2Q23 net profit surging by 62.7% YoY. That said, this outstanding growth was largely due to VHM recording high profit for the quarter, while the profits of most other real estate companies fell sharply.

FUND COMMENTARY AND INVESTMENT OUTLOOK

VINACAPITAL-VIBF’s NAV per share increased by 3.8% in July, underperforming the benchmark, which increased 4.9%. On a year-to-date basis, the fund has increased 10.4% versus a 12.8% increase for the benchmark.

Several top holdings of the fund outperformed the benchmark during the month, including FPT (+15.8%), MWG (+25.2%), and GMD (+13.1%), however, the fund did not hold two stocks that were among the market leaders, which are VHM (+14.6%) and MSN (+16.1%), which impacted our performance.

The Q2 earnings has now concluded, and our portfolio reported an aggregate Q2 earnings growth of 8%, far better than the broader market, in which earnings declined 11.9% y-o-y. Specifically, FPT reported Q2 earnings growth of 21%, backed by increase in their digital transformation and education segments. In a recent analyst meeting, the company shared some positive outlook on the impact of AI, which offers cost optimization and creates new revenue opportunities for FPT after 10 years of R&D. The banks such as VCB and STB reported strong Q2 net profit growth of 25% and 139%, respectively, supported by higher net interest income and lower provision expenses y-o-y. PLX posted a net profit of VND 773 billion, compared to a loss of VND 192 billion in Q2 2022. The recovery was attributed to the improvement in the petroleum market and the end of the old price mechanism in 2022. VRE recorded an upbeat net profit of VND 1.0 trillion, up 30% YoY, thanks to cost optimization in their shopping malls and the termination of rent reductions for tenants impacted by COVID-19. At present, we expect the economy and business results of listed companies to gradually recover in the second half of the year. July economic data showed some slight improvements from the previous months. The Index of Industrial Production increased 3.9% MoM and 3.7% YoY. Exports and imports, although still down 3.5% and 9.9% YoY, rose 0.8% and 4.4% MoM. Retail sales of goods and services advanced by 1.1% MoM and 7.1% YoY, bringing the YTD growth to 9.6% in real terms. Notably, both registered and disbursed FDI returned to positive growth of 4.5% and 0.8% YoY in 7M23, from -4.3% and 0.5% in 6M23, respectively. At the end of July, the VN Index was trading at a 2023F P/E of 12.1x, which remains attractive for long-term investment. Nevertheless, many stocks have strongly advanced YTD, reflecting in advance the expectations for economic recovery and loosened monetary policies; therefore, we cannot rule out the possibility of some short-term market volatility.