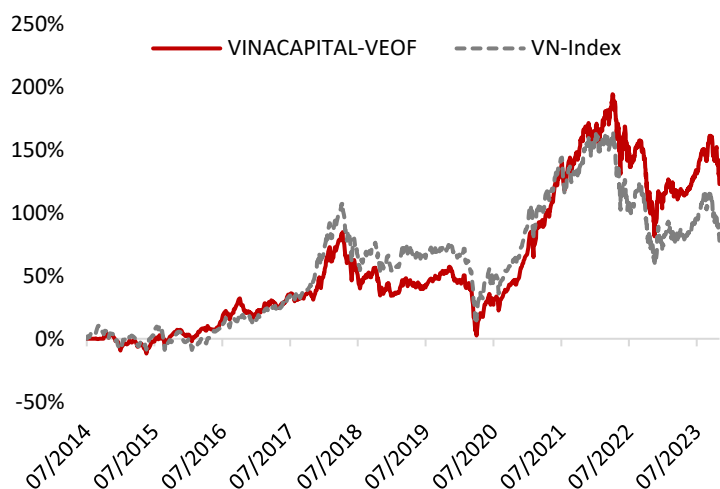


VINACAPITAL-VEOF Investment approach

The fund applies active investment strategy and bottom-up stock selection, concentrates on high-conviction stocks through a deep dive research and analysis.

The fund mainly invests in large and mid-cap stocks which are industry leaders or differentiate in competitive advantages, have growth potential and are being undervalued.

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-VEOF VN-Index	
Total AUM (VND billion)	859.9	
NAV/Share (VND)	22,310.0	
Oct 2023 return (%)	(9.9)	(10.9)
YTD 2023 return (%)	6.5	2.1
3-year annualized return (%)	15.9	3.6
Annualized return since inception (%)	9.0	6.4
Cumulative return since inception (%)	123.1	77.9

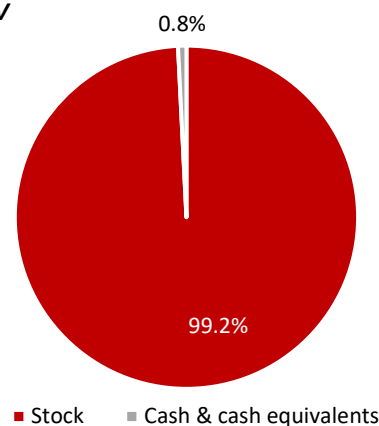
(The NAV is net of management fee and administrative expenses)

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Investment allocation

% Total NAV



Fund information

Inception	01/07/2014
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. (Viet Nam)
Auditor	PwC Vietnam
Trading frequency	Daily, from Monday to Friday
Benchmark	VN-Index

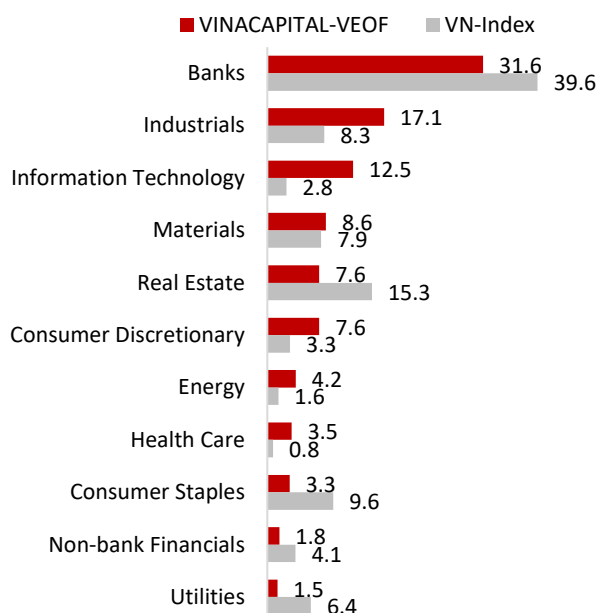
Portfolio statistics

	VINACAPITAL-VEOF	VN-Index
2023 P/E (x)	10.7	10.6
2023 P/B (x)	2.2	1.5
2023 ROE (%)	17.4	13.9
Dividend yield (%)	2.4	3.3
Portfolio turnover (%)	61.4	-
Sharpe ratio	0.3	0.1
No. of stocks	35	416

Source: Bloomberg, VinaCapital's forecast

Sector allocation

% Total NAV



Top holdings

Stock	Sector	% NAV
FPT	Information Technology	12.5
VCB	Banks	9.7
MBB	Banks	5.5
ACB	Banks	4.8
BID	Banks	4.6
STB	Banks	4.4
PNJ	Consumer Discretionary	4.0
MWG	Consumer Discretionary	3.6
VNM	Consumer Staples	3.3
SZC	Industrials	3.2

Monthly returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-0.1%	11.8%	0.5%	5.6%	11.6%	5.1%	-1.8%	3.0%	3.2%	8.3%	-0.1%	-0.3%	56.5%
2022	0.0%	5.1%	3.3%	-6.0%	-4.1%	-4.7%	-1.3%	5.2%	-10.1%	-10.2%	0.8%	-0.1%	-21.2%
2023	7.8%	-5.3%	1.2%	-0.2%	3.0%	4.2%	8.2%	2.1%	-3.1%	-9.9%			6.5%

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.

The information does not constitute and/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/or opinions of the Company 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

STOCK MARKET UPDATE

Following a 5.7% decline in September 2023, the VN-Index slumped a further 10.9% in October. Year-to-date (YTD), the growth of the VN-Index has narrowed to 2.1%.

There was almost no positive news for the stock market in October. The Q3 business results of many listed companies were lower than expected. Exchange rate risk remained a concern when the 10-year yield on US government bonds surpassed 5% at some point in October, its highest level since 2007. Global stock markets also performed poorly, with the S&P 500 Index declining in September (-4.9%) and October (-2.2%). In Vietnam, trading activities were quite gloomy, with the average daily trading value on the combined three bourses reaching only VND16.9 trillion, down 37% MoM and a five-month low.

On October 26, a large volume of VHM shares were sold at the floor price from the ATO trading session, casting a shadow across the market. As a result, the VN-Index subsided by 4.2% in just one day. It was understood later that this selling activity was conducted by investors in the exchangeable bonds issued by Vingroup, which simultaneously purchased the exchangeable bonds and sold the VHM shares to enhance the expected return, but market sentiment has not improved much since then.

As of 6 November, 1,570 listed companies (accounting for over 98% of the market capitalization on the combined three bourses) had announced their Q3 business results, with Q3 and 9M2023 aggregate net profit of those companies down 6.5% YoY and 13.5% YoY, respectively. The sectors that delivered disappointing results in Q3 included: (1) Utilities, which were impacted by a sharp increase in financial expenses, which led to a profit slump of 47% YoY; (2) Consumer Discretionary, which saw Q3 net profit decline by 45% YoY as profit margins of mobile phone and consumer electronics retailers were compressed by a price war amid weak consumption demand; (3) Real Estate, which recorded a 41% YoY decline in Q3 profit due the stagnation of the property market. The Financials sector saw Q3 net profit increase by 4% YoY, mainly contributed by the brokerage companies, while banks recorded a decline of 1.6% YoY in Q3 net profit.

FUND UPDATE AND INVESTMENT OUTLOOK

The NAV per share of VINACAPITAL-VEOF decreased by 9.9% in October, outperforming the VN-Index which fell 10.9%. On a YTD basis, VINACAPITAL-VEOF has advanced by 6.5%, outperforming the VN-Index by 4.4%.

The Q3 business results of VINACAPITAL-VEOF's top-10 holdings all reported encouraging business results except for MWG, which delivered disappointing earnings due to stagnant demand for mobile phones and household appliances. FPT maintained its position as one of the most sustainable growth enterprises on the stock market, with Q3 and 9M2023 net profit growth both reaching 20%, mainly driven by the Overseas Information Technology Services segment (9M revenue and pre-tax profit increased by 31% and 30% YoY) and the Education segment (9M revenue increased by 43%). The banks in the fund's portfolio also achieved positive business results. VCB, the fund's second largest holding, recorded Q3 and 9M2023 net profit growth of 20% and 19% YoY, respectively. MBB and ACB also attained double-digit profit growth in both Q3 and 9M2023.

VNM, a stock we added to the portfolio in early June 2023 after its valuation fell to a reasonable level, saw a recovery in Q3 business results as expected. After a long period of declining profits due to rising raw material prices and weak consumption demand, VNM recorded 8% YoY growth in Q3 net profit. Notably, VNM's business results have improved quarter by quarter since the beginning of this year.

The sharp decline of the stock market in October has brought the VN-Index's 2023F P/E to only 10.6x, about 1.2 standard deviations below the 10-year mean. Exchange rate risk has somewhat subsided as the 10-year US government bond yield has dropped from a peak of over 5% to roughly 4.6% after the Fed's meeting in late October. This prompted the USD/VND exchange rate to fall from 23,600 in October to just over 23,300 VND/USD in early November. We also expect the economy and the business results of listed companies to gradually recover from Q4/2023, which will be the positive factors for the stock market.