

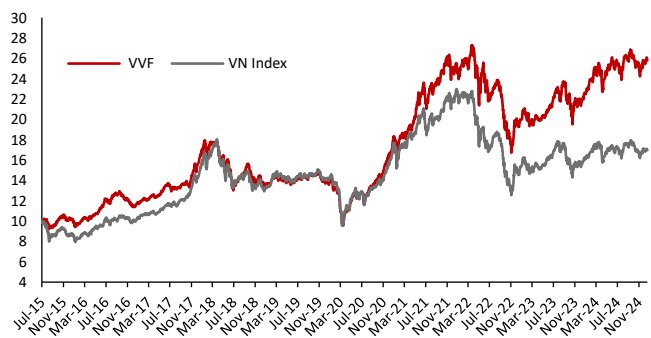
VVF is an actively managed UCITS-compliant fund that invests in equities and equity-related securities of companies that are based in Vietnam, with an objective to deliver long-term capital growth, through bottom-up stock picking and disciplined risk management. This UCITS is a product pursuant to Article 8 SFDR.

PERFORMANCE SUMMARY

	Fund ¹	VN-Index
December 2024 (m-o-m)	1.7%	0.8%
YTD	16.7%	6.8%
3-year annualized	0.6%	-8.8%
5-year annualized	13.3%	3.7%
Annualized since inception ²	10.5%	5.7%
Accumulated since inception ²	158.2%	69.7%
Sharpe ratio (annualized since inception ²)	0.4	0.2
Standard deviation (annualized since inception ²)	20.3%	21.6%
Tracking error	7.5%	

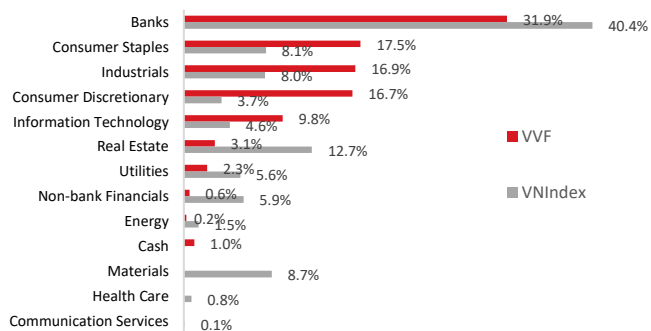
1. Fund information calculated from Class A shares, on a net basis
 2. Class A inception date: 14 July 2015

PERFORMANCE CHART



Past performance is not necessarily guidance to the future.

SECTOR ALLOCATION



TOP HOLDINGS

Ticker	Market Cap (USDmn)	Sector	% of NAV	2025F PE	2025F ROE
FPT	8,794	Information Technology	9.8%	23.8	25.4%
GMD	1,058	Industrials	9.5%	18.0	11.8%
MWG	3,495	Consumer Discretionary	9.5%	15.0	18.2%
QNS	557	Consumer Staples	7.9%	6.3	22.6%
STB	2,727	Banks	5.1%	6.3	17.5%
TCB	6,827	Banks	4.9%	6.7	15.4%
ACB	4,517	Banks	4.9%	6.0	19.9%
VPB	5,971	Banks	4.8%	8.8	11.9%
VNM	5,194	Consumer Staples	4.8%	13.0	32.3%
CTG	7,957	Banks	4.8%	7.1	16.7%
VVF Port.				9.6	17.2%
VNIndex				11.4	14.1%

Source: Bloomberg, VinaCapital's estimates

MONTHLY COMMENTARY

MARKET AND PORTFOLIO UPDATES

The stock market had a bumpy 2024, but it ended on a positive note, increasing 6.8% YoY for the full year. The majority of the market's gain was achieved in the first half of the year, while the second half was almost flat. The fund performed well in 2024, gaining 16.7% and outperforming the market by almost 10%. For the 3-year and 5-year periods, the fund's cumulative returns were 1.9% and 87.2% respectively, outperforming the market by 26.2% and 67.4%, respectively.

The outperformance in 2024 was attributed mainly to stock selection rather than sector allocation, which is consistent with our index agnostic, bottom-up approach. Our top holdings throughout the year delivered solid returns in 2024, including FPT (+73.8%), MWG (+35.7%), and STB (+25.7%), and we expect them to continue to perform well in the future.

Regarding the portfolio's allocation, we manage a concentrated fund with ~22-27 stocks at different points in time throughout 2024. We remained focused on four key themes: (1) private banks with a strong retail franchise, (2) consumer, (3) port operators, and (4) IT. We underweighted several sectors including real estate, materials, non-bank financials, utilities, and energy. We built the portfolio based on a bottom-up approach, with a preference for companies with high returns on capital and high sustainable EPS growth rates. The companies we held generated EPS growth of 22.7% and a ROE of 16.1% in 2024, on a weighted average basis. Those numbers are higher than VNIndex's EPS growth of 9.5% and ROE of 13.6% for the year. On valuation, the market is trading at trailing PER of 13.6x, which is close to the 10-year lowest range, but we would note that this low level is skewed by the private banks' low multiples. Meanwhile, our portfolio is trading at a 2024E PER of 11.5x, which is at a discount to the market.

Looking back at 2024, we would highlight three key factors that contributed to our portfolio's performance: (1) strong profitability of the private banks and their low valuations as at end-2023; (2) strong growth of the IT sector (our top holding FPT) and positive sentiment towards AI/IT outsourcing/data center investments; (3) margin improvement of consumer names (from a low base in 2023) despite tepid topline growth.

On the other hand, there were a number of issues that did not meet our expectations in 2024, and we expect further improvement in 2025: (1) the bottleneck in the real estate sector due to the lack of guidelines on new regulations and lack of funding for real estate developers; (2) almost flat government spending, despite high hopes at the beginning of the year, thus lower-than-expected construction activities in 2024; (3) weak retail spending, possibly due to a slow recovery in consumers' purchasing power, resulting in weaker than expected sales growth from our consumer names.

Foreign investors' net outflows for 2024 reached a record high level of USD 3.7 billion, but the outflows were well-absorbed by domestic investors, who single-handedly drove the market up last year. While we do not get distracted by the action of other market participants, it is worth pointing out that our portfolio is built to withstand market volatility (as proven by our strong outperformance in the last five years) thanks to our focus on company analysis and risk management. Additionally, we always try to create a performance buffer by ensuring that valuations at entry point be at a reasonable level.

MACRO COMMENTARY

Vietnam's 2024 GDP growth came in at 7.1%, a solid recovery from the 5.1% recorded for 2023. The expansion in 2024 was driven entirely by a surge in manufacturing output growth (from 3.6% in 2023 to 9.8% in 2024), which in-turn was propelled by a recovery in Vietnam's exports to the US from an 11% drop in 2023 to a 23% surge in 2024. The US is Vietnam's biggest export market, accounting for around 30% of total exports, so the recovery in exports to the US drove a rebound in Vietnam's total exports from a 4% drop in 2023 to a 14.3% increase in 2024, according to the General Statistics Office (GSO).

MACRO INDICATORS

	2023	Dec 2024	YTD 2024	y-o-y (%)
GDP growth ¹ (%)	5.1	7.6	7.1	
Inflation ² (%)	3.3	2.9	3.6	
FDI commitments ³ (USDbn)	28.1	6.4	33.7	10.0
FDI disbursements (USDbn)	23.2	3.7	25.4	9.4
Imports (USDbn)	326.4	35.0	380.8	16.7
Exports (USDbn)	354.7	35.5	405.5	14.3
Trade surplus/(deficit) (USDbn)	28.3	0.5	24.8	
Exchange rate (USD/VND) ⁴	24,265	25,485	25,485	

Sources: GSO, Vietnam Customs, SBV, MPI, Bloomberg

1. Latest quarterly GDP performance | 2. Inflation: year-on-year change | 3. Excluding Share Cap Contribution
4. BBG-USDVND Spot Exchange Rate

VVF FUND INFORMATION

Fund Launch Date	14 July 2015
Legal Entity Identifier (LEI)	5493003GR1U7LK7K6767
Trading Period	Daily Subscriptions/Redemptions
Fund Size	USD72.0m
Incorporation	Luxembourg
SFDR Classification	Article 8
Registered	UK, The Netherlands, Germany, Singapore, Austria, Switzerland, Sweden, France
Management Company	Edmond de Rothschild Asset Management (Luxembourg)
Fund Manager	VinaCapital Fund Management JSC
Depository Bank	Edmond de Rothschild (Europe)
Auditor	PwC Societe Cooperative Luxembourg
Swiss Representative	First Independent Fund Services Ltd, Klausstrasse 33, CH-8008 Zurich, Switzerland
Swiss Paying Agent	NPB Neue Privat Bank AG, Limmatquai 1/am Bellevue, P.O. Box, CH-8022 Zurich, Switzerland
Fund Platform Availability	Allfunds, Clearstream, Fundsettle, MFEX, Attrax, FIL Fondsbank (FFB)

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KEY TERMS

	Class A	Class B	Class C	Class D	Class G	Class H	Class I
Currency	USD	USD	EUR	EUR	JPY	USD	USD
Min. Investment	500,000 ¹	5,000	500,000 ¹	5,000	10,000,000 ¹	5,000,000 ¹	10,000,000 ¹
Management Fee	1.25%	2.00%	1.25%	2.00%	2.00%	1.25%	1.00%
Bloomberg	FOVCPVA LX	FOVIEBU LX	FOVIECE LX	FOVIEDE LX	FOVCPVG LX	FORMVIN LX	FOVCPUI LX
ISIN	LU1163030197	LU1163027052	LU1214542463	LU1214545136	LU1286783011	LU2552457918	LU2560055225

¹ The minimum initial subscription amount may be waived at the discretion of the Investment Manager.

Disclaimer

The current Sales Prospectus, the Key Investor Information Document (KIID), the Articles of Association as well as the semi-annual, annual reports of the Forum One – VinaCapital Vietnam 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 (<https://vinacapital.com/investment-solutions/offshore-funds/vvf/>) and the Management Company’s website (<http://navcentre.edmond-de-rothschild.eu/>). 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.

MONTHLY COMMENTARY (cont’d)

The jump in exports to the US was driven by a circa 40% increase in exports of electronics and computers, which is discussed in [recent research](#) from the Hinrich Foundation. The authors of that research analyzed granular trade data of several high-tech product categories, such as modems, switches and routers, which come under “category HS851762” in the international harmonized system.

From 2018 to 2023, the proportion of HS851762 products that the US imported from China fell by 35%pts, and that drop was entirely offset by an increase in the proportion of those products imported from Vietnam (+18%pts), Taiwan (+10%pts), and Thailand (+6%pts). There are similar surges across a wide range of other high-tech products, including PCs (Vietnam’s PC exports to the US have jumped more than 10x since 2018, giving Vietnam a circa 18% share of US imports of PCs).

The net result is that Vietnam’s trade surplus with the US reached USD 105bn last year (or 23% of GDP); Vietnam’s trade deficit with the US is the third largest in the world. That said, Vietnam’s total trade surplus of USD 25bn (or 5%/GDP) was not sufficient to defend the Dong, which depreciated by 5% in 2024, including 0.5% depreciation in December, driven by a variety of factors including concerns about Trump’s tariffs on Vietnam, which we discussed in [this report](#).

The growth of Vietnam’s retail sales (stripping out inflation) fell from 6.9% in 2023 to 5.9% in 2024, partly because consumer confidence remained weak in the first half of 2024, albeit improving as the year progressed. In addition, the growth of foreign tourist arrivals plunged from 240% in 2023 to 40% in 2024; foreign tourist arrivals increased from 20% of pre-COVID levels in 2022 to 70%/pre-COVID in 2023 and 98% of pre-COVID in 2024.

We estimate that foreign tourists accounted for about 10% of retail sales in Vietnam pre-COVID, so the drop in the growth rate of tourist arrivals last year, coupled with a modest recovery in consumer confidence, helps explain slower consumption growth in 2024.

Finally, Vietnam’s CPI inflation rate remained subdued at 2.9% YoY in December because retail petrol prices in Vietnam were down approximately 6% YoY (comparable to the modest YoY drop in global oil prices), offsetting a circa 4% YoY increase in food prices.