# VinaCapital Discovery Equity Fund (VINACAPITAL-VDEF)

As of 31 July 2026

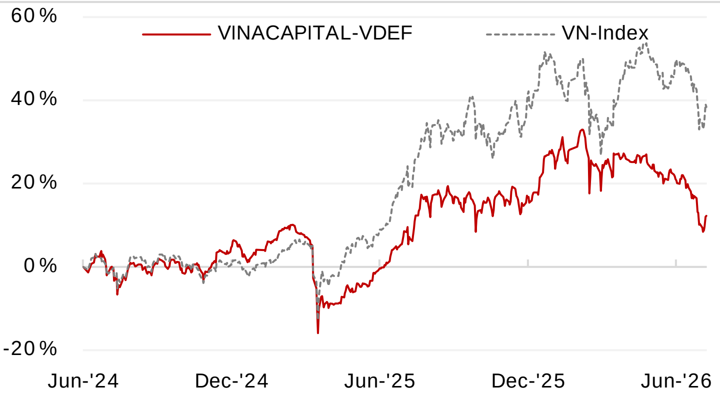
The Fund focuses on identifying investment opportunities in under-researched and overlooked companies that are trading at attractive valuations. The Fund adopts a high-conviction, actively managed investment strategy, with a preference for small- and mid-capitalization companies that possess scalable business models or are expected to undergo meaningful transformation, supported by strong catalysts that can unlock further valuation upside.

## Performance Summary

| | VINACAPITAL-VDEF | VN-Index |
|---|---|---|
| Jul 2026 return (%) | (7.3) | (6.7) |
| YTD 2026 return (%) | (4.8) | (2.7) |
| 3-year annualized return (% p.a.) | - | - |
| 5-year annualized return (% p.a.) | - | - |
| Annualized return since inception (% p.a.) | 5.7 | 16.7 |
| Cumulative return since inception (%) | 12.3 | 38.4 |

*Past performance is not necessarily guidance to the future. Investment returns are not guaranteed and may experience short-term fluctuations. Investors are recommended to have a medium-to-long-term investment horizon to optimize performance.*

## Performance Chart




## Sector Allocation

| Sector | % Total NAV |
|---|---|
| Banks | 36.5 |
| Materials | 22.7 |
| Non-bank Financials | 9.9 |
| Industrials | 8.4 |
| Consumer Discretionary | 6.1 |
| Real Estate | 4.4 |
| Utilities | 2.9 |
| Consumer Staples | 2.8 |
| Cash | 6.2 |

## Top 10 Holdings

| Ticker | Sector | % of NAV |
|---|---|---|
| HDB | Banks | 8.4 |
| PHR | Materials | 7.6 |
| HPG | Materials | 6.7 |
| VCB | Banks | 6.5 |
| MBB | Banks | 6.5 |
| STB | Banks | 4.7 |
| CTG | Banks | 4.6 |
| DPR | Materials | 4.6 |
| PVI | Non-bank Financials | 4.6 |
| REE | Industrials | 3.7 |
| TOTAL | | 57.9 |

## Monthly Commentary

### Stock Market Update

The Vietnamese equity market went through a volatile July, with the VN-Index falling 6.7%—its steepest monthly decline so far this year—bringing its year to date return to -2.7%. The correction unfolded against a backdrop of rising interest rates since the start of the year, which weighed on the relative appeal of risk assets. Investigations into a few companies for legal violations further dampened investor sentiment, prompting more cautious capital flows and broad based selling pressure. The market only began to recover in the final sessions of the month, as many stocks fell to more attractive valuations.

Market liquidity declined steadily over the course of the year. Average daily trading value across the three exchanges—HOSE, HNX, and UPCoM—fell from approximately USD 1.47 billion in January to USD 736 million in July, reflecting cautious investor sentiment amid gradually rising interest rates and a number of short term uncertainties. Foreign investors remained net sellers, with net outflows of approximately USD 453 million during the month, bringing cumulative net selling year to date to around USD 3.5 billion. That said, we observed foreign investors returning as net buyers during periods of sharp corrections, when valuations moved into more attractive territory.

In contrast to market performance, Vietnam's macroeconomic fundamentals remained resilient. The Index of Industrial Production (IIP) rose 11.4% in the first seven months of the year, while the manufacturing sector expanded by 12%. The manufacturing PMI rose from 51.8 to 52.9 in July, marking the 13th consecutive month of expansion, with output, new orders, and export orders all improving as input cost pressures continued to ease. These figures suggest that Vietnam's production and export activities continued to grow at a solid pace.

The most notable bright spot during the month came from the 2Q2026 earnings of listed companies. According to data compiled by VinaCapital, net profit attributable to parent company shareholders of HOSE listed companies rose 46% year on year in the second quarter and approximately 48% in the first half of 2026. Growth was broad based, with 11 of 12 sectors posting positive earnings growth in the first half, of which 8 grew by more than 20%— most notably Materials (+72%), Consumer Discretionary (+55%), Consumer Staples (+44%), and Insurance (+21%). The broadening of earnings growth across sectors, rather than being concentrated in a handful of companies, reflects a genuine improvement in the real economy and consumer demand. We view this as the most encouraging factor for the market at present, as corporate earnings growth ultimately remains the key driver of market direction over the medium to long term.

Following the recent correction, market valuations have become even more attractive. Based on the fund's estimates, the 2026 forward P/E of the VN-Index now stands at just 11.5x, and excluding Vingroup related stocks, falls to around 9.5x—a compelling level relative to the earnings growth prospects of listed companies. Meanwhile, the economy continues to grow strongly, supported by ongoing policies to boost investment and credit growth. In addition, Vietnam's official upgrade by FTSE Russell to emerging market status in September 2026 should serve as an important catalyst, helping to lift investor sentiment and draw additional capital flows into the market in the period ahead.

# VinaCapital Discovery Equity Fund (VINACAPITAL-VDEF)

As of 31 July 2026

## Portfolio Statistics

| | VINACAPITAL-VDEF | VN-Index |
|---|---|---|
| 2026 P/E (x) | 8.7 | 11.5 |
| 2026 P/B (x) | 1.5 | 1.9 |
| 2026 ROE (%) | 16.7 | 16.2 |
| 2026 Dividend yield (%) | 3.0 | 1.8 |
| Portfolio turnover (Since inception) (%) | 158.0 | - |
| Sharpe ratio (Since inception) | 0.1 | 0.7 |
| Beta (Since inception) | 0.7 | 1.0 |
| No. of stocks | 26 | 403 |

*(Source: VinaCapital's forecast)*

## Fund Information

| | |
|---|---|
| Total AUM (VND billion) | 374.7 |
| NAV/Share (VND) | 11,225.6 |
| Fund launch date | 24 June 2024 |
| Management fee | 1.75% per annum |
| Subscription fee | 0% |
| Redemption fee | Day 1 to Day 364: 2%<br>Day 365 to Day 729: 1%<br>From Day 730 onwards: 0% |
| PIT | 0.1% |
| Custodian & Supervisor bank | Standard Chartered Bank Ltd. (Vietnam) |
| Auditor | PwC Vietnam |
| Trading frequency | Daily, from Monday to Friday |
| Benchmark | VN-Index |

*(The NAV is net of management fee & administrative expenses.)*

## Contact Information


VinaCapital Fund Management JSC
17th Floor, Sun Wah Tower
115 Nguyen Hue, Sai Gon Ward, Ho Chi Minh City, Vietnam
Investor Relations: irwm@vinacapital.com
Tel: +84 28 38 27 85 35


## Monthly Commentary (continued)

### Fund Update and Investment Outlook

In July 2026, the net asset value (NAV) per unit of VINACAPITAL-VDEF declined by 7.3%. On a year to date basis, the fund was down 4.8% over the first seven months of the year, compared with a 2.7% decline in the VN-Index.

Although the fund's short term performance was affected by broader market conditions, the fundamentals of its portfolio companies remained robust. Aggregate net profit of the portfolio grew 37.1% year on year in the second quarter and 34.1% in the first half of 2026, reflecting the strong earnings momentum of the companies held by the fund.

The fund's largest holdings all delivered outstanding earnings growth in the first half of the year, reinforcing the fund's outlook.

Within the banking sector—currently the fund's largest sector allocation—the fund's core bank holdings all achieved net profit growth of more than 30% in the first half. VCB reported net profit of VND 24,000 billion, up 37% year on year, supported by net interest margin (NIM) expansion and a one off gain from an asset revaluation. CTG posted net profit of VND 20,657 billion, up 37%, driven by growth in both net interest income and non interest income. HDB recorded net profit of VND 10,325 billion, up 33% year on year, underpinned by strong parent bank credit growth of 18%—well above the system wide average—together with NIM improvement, lower provisioning expenses, and a larger contribution from its subsidiaries.

Within the industrial park and natural rubber segment, PHR reported first half net profit of VND 643 billion, up 245% year on year, primarily driven by income from land compensation and land handover support payments related to the VSIP III and Bac Tan Uyen 1 industrial parks. Excluding income from industrial park land, net profit from its traditional business operations still rose 31% year on year, supported by higher rubber selling prices and margin improvement across its segments. PHR is expected to continue delivering strong earnings in the second half of the year. In the steel sector, HPG also posted a solid first half, with core net profit of VND 11,538 billion, up 48% year on year. This performance was supported by steel sales volume of 7.2 million tonnes (up 29%), of which hot rolled coil (HRC) volume rose 57%, lifting HPG's HRC market share to 40%, driven by higher utilization at the Dung Quat 2 complex and trade protection measures against Chinese steel imports.

Looking ahead, we maintain a constructive view on the fund's outlook. Following the recent correction, the VINACAPITAL-VDEF portfolio is currently trading at a 2026 forward P/E of just around 8.7x and a P/B of only 1.5x, well below the VN-Index's 11.5x and 1.9x, respectively. This attractive valuation, combined with the solid earnings foundation of the fund's holdings, should create meaningful upside potential for the fund in the period ahead.

## Monthly Returns

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2024 | | | | | | -1.3% | 1.0% | 0.9% | 0.7% | -1.2% | 0.9% | 4.0% | 4.9% |
| 2025 | -0.8% | 5.0% | -3.8% | -13.3% | 4.4% | 5.5% | 6.4% | 9.9% | -2.0% | 0.3% | 0.2% | 2.0% | 12.4% |
| 2026 | 8.7% | 3.7% | -5.6% | -0.3% | -2.1% | -1.2% | -7.3% | | | | | | -4.8% |