VinaCapital Strategic Growth Equity Fund (VINACAPITAL-VESAF)

As of 31 October 2026

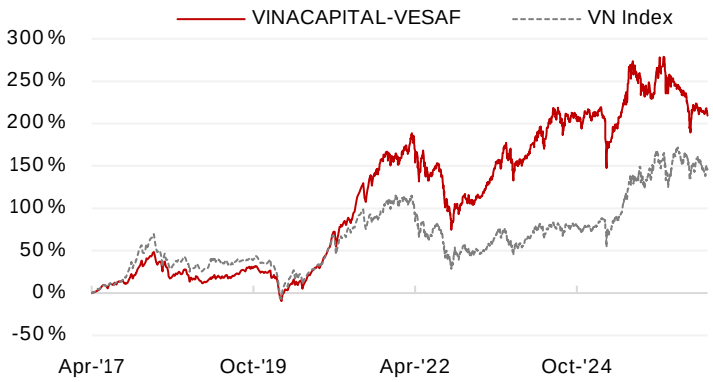
The Fund primarily invests in two key groups: (1) companies with strong fundamentals, high compound growth potential over multiple years, and reasonable valuations; and (2) companies that are underappreciated by the market but have strong catalysts to unlock value.

Performance Summary

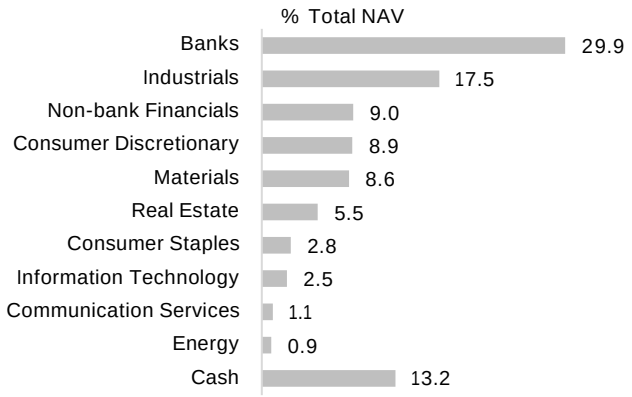
	VINACAPITAL-VESAF	VN-Index
Oct 2026 return (%)	(1.7)	(1.5)
YTD 2026 return (%)	(7.7)	(2.4)
3-year annualized return (% p.a.)	9.9	19.2
5-year annualized return (% p.a.)	3.3	3.8
Annualized return since inception (% p.a.)	12.6	9.9
Cumulative return since inception (%)	209.6	145.5

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



Top 10 Holdings

Ticker	Sector	% of NAV
MBB	Banks	6.5
HPG	Materials	6.4
BVH	Non-bank Financials	6.2
MWG	Consumer Discretionary	6.0
VCB	Banks	5.5
CTG	Banks	5.0
ACB	Banks	4.5
CTR	Industrials	4.3
REE	Industrials	4.3
VRE	Real Estate	4.3
TOTAL		53.0

Monthly Commentary

Stock Market Update

The VN-Index fell 1.5 % in October to close at 1,741.6 points. The index was volatile during the month, briefly dropping below 1,700 before recovering after the Government firmly directed banks to lower interest rates. Year-to-date, the VN-Index is down 2.4 %; excluding Vingroup-related stocks, the market has declined 11.4 %.

Liquidity weakened further in October, with average daily trading value falling 5 % month-on-month to around USD606 million. Foreign investors were net sellers of USD931 million, roughly five times the September figure, bringing year-to-date net outflows to USD4.7 billion. That said, around 59 % of October's net selling came through block trades, with MCH alone accounting for USD372 million.

Third-quarter earnings remained solid, with aggregate net profit of HOSE-listed companies rising 51.5 % year-on-year and 48.4 % over the first nine months. However, the Vingroup group accounted for nearly 60 % of this growth, driven largely by sizeable gains from bulk sales of real estate projects. While most sectors continued to grow, earnings momentum slowed in some sectors compared with Q2. Banks posted profit growth of 19.5 % year-on-year but fell 5.1 % quarter-on-quarter, while securities companies saw profits drop 50.3 % year-on-year and 25.0 % quarter-on-quarter.

Meanwhile, October macro data point to strong growth in Q4. Industrial production rose 15.0 % year-on-year (10M: +12.4 %), and retail sales of goods and services increased 14.7 % (10M: +13.5 %, or +7.7 % in real terms). Public investment disbursement reached VND783.9 trillion in the first ten months, equivalent to 69 % of the full-year plan and up 19.8 % year-on-year. Registered FDI rose 74 % to USD54.9 billion, while disbursed FDI grew 13.1 % to USD24.1 billion. Notably, after running a trade deficit for the first eight months, Vietnam has recorded a surplus for two consecutive months, including USD7.3 billion in October.

For 2027, the National Assembly has again set a GDP growth target of 10 % or higher. It also approved state budget expenditure of VND4.07 quadrillion, 29.0 % above the estimated 2026 outturn. The Assembly has further called for full disbursement of the 2026 public investment plan, underscoring public investment as one of the key drivers of economic growth.

Since the start of the year, the domestic and global macro backdrop has been challenging for equities. Interest rates rose both at home and abroad, conflict in the Gulf pushed oil prices to USD110–120 per barrel at times, and domestic CPI rose 5.1 % year-on-year in October. However, we see these pressures now easing. Following the US midterm elections, the 10-year US Treasury yield has fallen from a high of 5.3 % last month to around 4.9 %, and oil prices have retreated below USD100 per barrel. Domestically, many banks have cut interest rates by around 50 basis points in line with Government guidance, with lending rates for certain priority sectors reduced by up to 150–200 basis points. To contain inflation, average retail electricity prices were lowered by 2 % from 1 November. In addition, the special consumption tax on gasoline has been cut to 0 % from November 2026 through March 2027. The VND has appreciated around 2.5 % against the USD year-to-date, and oil prices and US Treasury yields are both easing. Against this backdrop, we believe the State Bank of Vietnam will have more room to pursue a more flexible monetary policy, which should provide support for the stock market going forward.

Classified: Public

VinaCapital Strategic Growth Equity Fund (VINACAPITAL-VESAF)

As of 31 October 2026

Portfolio Statistics

	VINACAPITAL-VESAF	VN-Index
2026 P/E (x)	8.8	11.9
2026 P/B (x)	1.4	1.9
2026 ROE (%)	15.7	16.1
2026 Dividend yield (%)	2.9	1.9
Portfolio turnover (5-year, %)	76.4	-
Sharpe ratio (5-year)	0.0	0.0
Beta (5-year)	0.8	1.0
No. of stocks	26	407

(Source: VinaCapital's forecast)

Fund Information

Total AUM (VND billion)	2,257.5
NAV/Share (VND)	30,959.8
Fund launch date	18 April 2017
Management fee	1.75% per annum
Subscription fee	0%
Redemption fee	Day 1 to Day 364: 2% Day 365 to Day 729: 1% 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.)

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Monthly Commentary (continued)

Fund Update and Investment Outlook

In October 2026, the NAV per share of VINACAPITAL-VESAF decreased by 1.7%, against a 1.5% decline in the VN-Index and a 3.4% decline in the VN-Index excluding VIC, bringing its YTD return to -7.7%, compared with -2.4% for the VN-Index and -10.5% excluding VIC.

Mobile World (MWG) and Hoa Phat (HPG) beat Q3 expectations, with net profit up 75% and 107% y/y respectively, driven by both volume and margin – MWG relying more on pricing, HPG on record HRC volume and higher steel prices. These are the parts of the economy doing well: upper-middle-class consumption and construction.

Bao Viet Holdings (BVH) trailed expectations, with Q3 profit up only 9%, as mass-market spending on life insurance has yet to recover. The market de-rated BVH sharply in October and early November on expectations of lower rates. In our view, this lumps all rates together, while short- and long-term rates affect BVH in opposite directions.

Excessively high short-term rates cut both ways. BVH earns more on its own bank deposits, lifting investment income 29% this quarter. But many households prefer savings deposits to life insurance, so sales stall and early surrenders rise. This quarter, weaker insurance results absorbed almost all of the extra deposit income. In short, we believe that if short-term rates stay anchored at excessively high levels, the impact on BVH is negative; the deposit rate cuts expected ahead could ease this negative impact.

High long-term rates, on balance, help. They do lower the market value of BVH's bonds, but its promises to policyholders run for decades, longer than those bonds. Higher long-term rates mean new premiums are invested at better yields, and BVH needs to set aside less money today to meet those promises.

The three banks among our top holdings were mixed. MB Bank (MBB) beat (+44%) on strong net interest income and cost control, although both NPLs and Group 2 loans are rising. VietinBank (CTG) was in line (+28%), with an improving NIM. Vietcombank (VCB) missed, with flat profit due to an unexpected provision on corporate bonds, though 9M operating income rose 37%; on 2 November, VCB received SBV approval for its long-delayed 6.5% private placement.

Portfolio look-through EPS rose 15% in Q3 and 28% in 9M, in line with forecasts. The market grew 46% and 43%, but mainly on one-off gains from bulk real estate project sales. We do not chase the highest level of growth when that growth is non-recurring; we prefer earnings that can be sustained and compounded.

We are happy with the portfolio's current composition. Our job remains constructing a portfolio that investors can own with peace of mind, without needing to monitor it constantly.

Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	-0.8%	4.9%	3.9%	-5.6%	-2.9%	-5.8%	-1.6%	5.5%	-10.2%	-11.3%	-1.8%	-0.1%	-24.4%
2023	9.9%	-5.2%	2.1%	1.8%	5.7%	3.5%	9.4%	3.8%	-1.2%	-11.2%	8.2%	2.5%	30.9%
2024	2.5%	5.7%	5.2%	-4.3%	6.9%	1.0%	0.2%	1.8%	0.2%	-1.1%	-0.2%	2.6%	22.1%
2025	-0.6%	0.7%	-3.9%	-8.2%	6.0%	5.6%	4.6%	13.3%	-5.0%	-2.0%	-2.1%	-0.6%	6.3%
2026	9.7%	2.9%	-5.9%	-3.1%	-1.7%	-1.7%	-8.3%	5.7%	-2.5%	-1.7%			-7.7%

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