

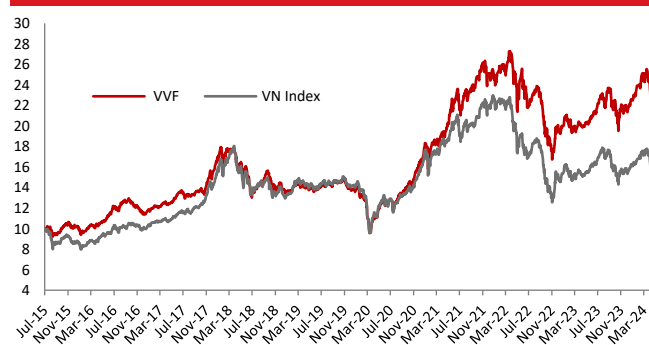
VVF is an actively managed UCITS-compliant fund that invests in equities and equity-related securities of companies that are based in Vietnam, with an objective to deliver long-term capital growth, through bottom-up stock picking and disciplined risk management. This UCITS is a product pursuant to Article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

## PERFORMANCE SUMMARY

	Fund <sup>1</sup>	VN-Index
April 2024 (m-o-m)	-6.6%	-8.3%
YTD	7.9%	2.5%
3-year annualized	7.2%	-3.9%
5-year annualized	11.1%	2.5%
Annualized since inception <sup>2</sup>	10.4%	5.7%
Accumulated since inception <sup>2</sup>	138.7%	63.0%
Sharpe ratio (annualized since inception <sup>2</sup> )	0.41	0.21
Standard deviation (annualized since inception <sup>2</sup> )	20.9%	22.3%
Tracking error	7.8%	

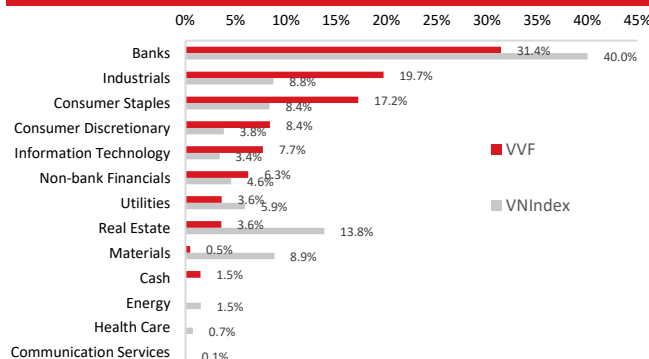
1. Fund information calculated from Class A shares, on a net basis
2. Class A inception date: 14 July 2015

## PERFORMANCE CHART



Past performance is not necessarily guidance to the future.

## SECTOR ALLOCATION



## TOP HOLDINGS

Ticker	Market Cap (USDmn)	Sector	% of NAV	2024F PE	2024F ROE
GMD	1,032	Industrials	9.9%	17.4	16.2%
FPT	6,177	Information Technology	7.7%	19.9	26.3%
MWG	3,169	Consumer Discretionary	6.9%	36.4	8.9%
QNS	648	Consumer Staples	6.4%	7.3	23.3%
STB	2,099	Banks	6.2%	5.5	18.0%
TCB	6,480	Banks	5.0%	7.3	15.3%
VHC	656	Consumer Staples	4.9%	12.3	14.0%
ACB	4,117	Banks	4.4%	5.6	21.5%
VCB	20,123	Banks	4.3%	13.6	16.1%
MBB	4,644	Banks	4.1%	4.8	20.9%
VVF Port.				10.2	18.0%
VN-Index				11.2	14.1%

Source: Bloomberg, VinaCapital's estimates

## MONTHLY COMMENTARY

### MANAGER'S COMMENTARY

The upbeat momentum of Vietnam's stock market in the 1Q24 was abruptly halted in April, with the VN-Index declining by 5.8% MoM in VND term. Accounting for the 2.2% depreciation of VND against USD during April, the market recorded an 8.3% decline for the month but still increased by 2.5% YTD, in USD term. Although the fund's NAV incurred a 6.6% decline (in USD term) in April 2024, our holdings were resilient and enabled us to outperform the market by 1.7% in April and 5.3% on a YTD basis, keeping our YTD total return of 7.9%. Several key holdings in our portfolio (FPT, GMD, MWG, VHC) reached one-year highs by the end of April, helping the portfolio to maintain its outperformance vs the benchmark despite the market's short-term downturn.

The correction in April can be attributed to several factors, including: (1) the depreciation of the Vietnamese Dong, and (2) the ongoing anticorruption campaign in Vietnam. On the former, VND depreciation has been in line with regional currencies and should not be regarded as an issue unique to the country. Given its past practices, the State Bank of Vietnam is likely to choose an appropriate time to intervene and calm local sentiment, but there is no fixed timeline or FX target. On the latter, we have not seen any direct impact on the country's economic policies nor on companies' operations, and we expect the pro-business and stimulus policies to continue, despite the headlines.

During the month, the three stock exchanges saw a decrease in market liquidity, with the average daily trading value (ADTV) falling to USD971mn, representing a 19.3% decrease compared to March. Specifically, the HOSE's ADTV witnessed a MoM reduction of 20.3%. Foreign investors net sold USD212mn across the three exchanges, following a net sale of USD456mn in March. Selling was concentrated in large cap stocks, mainly in the real estate and banking sectors. The majority of sectors experienced a downturn in their stock prices in April, although there was one exception: the IT sector, which increased 2.5% amidst the tech-stock uptrend worldwide. On the downside, Brokers faced the steepest decline at 13.5%, followed by Real Estate (-11.2%), Materials (-10.0%), Utilities (-9.2%), Consumer Staples (-7.8%), Energy (-7.6%), Banks (-7.0%), and Industrials (-6.1%).

### Key holding update: Mobile World Investment Corporation

The stock price of Mobile World Investment Corporation (MWG) moved in the opposite direction of the broader market in April. MWG became a key holding in our portfolio after we increased our investment into the company in 2H2023. The company has three pillars of businesses: 1) a leading mobile phone chain, 2) a leading consumer electronics chain, 3) a minimart chain specializing in selling fresh foods and daily basic needs ("BHX"). While the first two businesses are well-established with high market share, BHX is at an earlier stage of development. Mobile phone and electronics products have been profit drivers over the years, while BHX has been loss-making since its start in 2015, with accumulated losses of USD360mn as of the end of 2023.

MWG has been traditionally a well-run and fast-growth company with a high return on capital (average ROCE of 43% over the 10-year period 2014-2023). However, the business started to run into difficulty in the second half of 2022, leading to dismal profit in 2023 (only USD17mn, vs. 2022 net profit of USD192mn and 2021 net profit of USD213mn). The downturn was the result of 1) weak consumer demand in 2H22 and 2023, which led to a reduction in sales and further reduction in margins due to the destocking process, and 2) one-off losses from the closure of phone and electronics stores and restructuring expenses at BHX, where management had been fine-tuning the business model.

For 2024, we expect the profit of the phone and electronics segment to rebound, although it is mainly due to a normalization of margin after a period of price war rather than strong local consumer demand. The recovery in electronics sales (47% of 2023 revenue) is not expected to pick up in the near term given the lackluster primary real estate market. However, there has been a major turnaround in the grocery business, where monthly sales per store improved from ~USD50k in Jan-2023 to ~USD73k in Dec-2023 and have continued to stay above USD73k in 1Q24. Management indicated that BHX could stand on its own without a cashflow infusion from the parent company and would likely generate a profit in 2024. We believe the grocery business is at an inflection point, allowing it to scale up without external funding. In March 2024, MWG announced a strategic issuance of a 5% stake of BHX to a private equity investor for ~USD72mn, valuing the loss-making BHX at USD1.4bn (vs. USD3.0bn of MWG's capitalization on that date). The sale gave an anchoring valuation for investors to value the stock. As a long-term investor, we are not a proponent of this deal given the insignificant amount of capital (only equivalent to 6% of cash by end-1Q24, an unmeaningful number) and the possibility it could lead to a dilution of interest in the subsidiary in the future. However, we maintain high regard for management's integrity and competency, as well as their vision for BHX's long-term growth and expansion.

All of our holdings have released 1Q24 financial results, with YoY EPS growth of 23.1%, which came as a slightly positive surprise to us and was much higher than the overall market's growth of 11.3%. We maintain our 2024 forecast of 23.9% earnings growth for the portfolio, with an updated valuation 2024E PER of 10.2x, a discount to the broader market at 11.2x. We expect near term market volatility given the uncertain global

## MACRO INDICATORS

	2023	Apr 2024	YTD 2024	y-o-y
GDP growth <sup>1</sup> (%)	5.1			
Inflation <sup>2</sup> (%)	3.3	4.4	3.9	
FDI commitments <sup>3</sup> (USDbn)	28.1	2.6	8.3	44.8%
FDI disbursements (USDbn)	23.2	1.7	6.3	7.4%
Imports (USDbn)	326.4	30.3	115.2	15.4%
Exports (USDbn)	354.7	30.9	123.6	15.0%
Trade surplus/(deficit) (USDbn)	28.3	0.7	8.4	
Exchange rate (USD/VND) <sup>4</sup>	24,265	25,348		

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	USD88.1m
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)

## CONTACT DETAILS

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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 <sup>1</sup>	5,000	500,000 <sup>1</sup>	5,000	10,000,000 <sup>1</sup>	5,000,000 <sup>1</sup>	10,000,000 <sup>1</sup>
Management Fee	1.25%	2.00%	1.25%	2.00%	2.00%	1.25%	1.00%
Bloomberg	FOVCVA LX	FOVIEBU LX	FOVIECE LX	FOVIEDE LX	FOVCPVG LX	FORMVIN LX	FOVCPUI LX
ISIN	LU1163030197	LU1163027052	LU1214542463	LU1214545136	LU1286783011	LU2552457918	LU2560055225

<sup>1</sup> 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)

economic and geopolitical outlook, on top of some ongoing domestic challenges. However, we remain focused on buying companies that can generate sustainable earnings growth over the long-term.

### MACRO COMMENTARY

Vietnam’s export-driven economic recovery continued in April, with Export growth (15%) vastly outpacing Manufacturing growth (~6%) in 4M24, so Inventories continued to fall in April (albeit at a slower pace than in March). This means that manufacturing output will need to accelerate as 2024 progresses.

Real Retail Sales growth fell from 8.7% yoy in 4M23, to 5.3% in 4M24, partly because Consumer Sentiment has not fully recovered from last year’s plunge - and because a resumption of Foreign Tourist Arrivals significantly boosted the 4M23 figure, but had already largely recovered last year. Tourist Arrivals improved from 70% of pre-COVID levels last year, to slightly above pre-COVID levels in 4M24. Chinese tourist arrivals recovered to over 70% pre-COVID levels in 4M24, including an 80% recovery in April 2024 compared to April 2019. We still expect Real Retail Sales in Vietnam to grow by 7.5% this year.

The recovery in Vietnam’s Manufacturing Output growth from a -2.1% yoy drop in 4M23, to +6.3% growth in 4M24 was driven by the on-going rebound in Vietnam’s exports/the demand for “Made in Vietnam” products. Vietnam’s Manufacturing PMI ticked up from 49.9 in March, to 50.3 in April; New Orders expanded at the fastest pace in nearly two years. Manufacturing Employment is up 4% yoy (and up by more than 10% yoy in Electronics Factories), according to the GSO. Wage growth has recovered to around 6-7% yoy, based on our estimates. Inventory Levels of Finished Products fell for the 4th month in-a-row; Inventory Levels of Production Inputs fell for the 8th month in-a-row. We continue to expect Vietnam’s manufacturing output to grow by 8% this year.

Disbursed FDI grew 7% yoy to \$6.3b in 4M24. Planned FDI surged 45% yoy, to \$8.3b, driven by a 70% yoy surge to \$7.1b worth of New Projects – most of which are manufacturing projects.

Vietnam’s Trade Surplus grew from \$7.7b in 4M23, to \$8.4b in 4M24 (or was unchanged at 5.5%/GDP in both 4M23 and 4M24). Exports and Imports both grew by about 15% yoy in 4M24 (versus 17% and 14% in 3M24); Exports to the US grew 19% yoy in 4M24, versus a -22% drop in 4M23. The recovery of exports in Vietnam (and in Taiwan & Korea) is being driven by the demand for Laptop Computers – partly because users are upgrading to AI-capable hardware, etc. Vietnam’s Computer & Electronics exports surged 35% yoy in 4M24 (Smartphone exports grew 7% and overall Tech exports grew 20% in 4M24).

Inventories of production inputs fell for 8 months in-a row, which explains why Vietnam’s imports are now picking up - and why Vietnam’s trade surplus almost certainly peaked at ~8%/GDP in 4M24. Vietnam’s Imports grew 20% yoy in the month of April, versus 11% Export growth compared to April-2023.

Inflation ticked up from 4% yoy in March, to 4.4% in April driven by a circa 4% month-on-month increase in Retail Petrol prices. Inflation in Vietnam is likely to approach 5% within the next few months because of: 1) higher oil prices (global oil inventories are now falling), and 2) low base effects in Vietnam - especially around June-July (i.e. inflation was low at that time last year).

The USD-VND Exchange Rate depreciated by 2.2% m-o-m (4.4% YTD), prompting the SBV to sell nearly \$400m out of its FX Reserves in order to support the value of the VN Dong.