



VIETCOMBANK FUND MANAGEMENT

## VCBF'S OPEN-ENDED FUNDS QUARTERLY REPORT

1Q - 2025

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## 1. ECONOMIC REVIEW

		Q1-2025	Q4-2024	Q3-2024	Q2-2024	Q1-2024	Q4-2023	Q3-2023	Q2-2023	Q1-2023
Quarter GDP growth	yoy	6.9%	7.6%	7.4%	7.3%	6.0%	6.7%	5.5%	4.3%	3.4%
YTD GDP growth	yoy	6.9%	7.1%	6.8%	6.4%	6.0%	5.1%	4.2%	3.7%	3.3%

		Mar 2025	Feb 2025	Jan 2025			Mar 2025	Feb 2025	Jan 2025
CPI	{ mom	0.0%	0.3%	1.0%	VN Index (HSX)	{ ytd	3.2%	3.0%	-0.1%
	{ yoy	3.1%	2.9%	3.6%		{ yoy	1.8%	4.2%	8.7%
Money Supply (M <sub>2</sub> )	ytd	2.0%	n.a.	n.a.	HNX Index	{ ytd	3.4%	5.2%	-1.9%
Credit growth	ytd	3.9%	1.4%	0.2%		{ yoy	-3.1%	1.6%	-2.7%
Real retail sales growth	yoy	7.5%	6.2%	6.6%	Foreign Net Purchases (\$ m)	ytd	\$ (1,055)	\$ (637)	\$ (256)
Industrial Prod Index	{ mom	12.0%	-2.2%	-9.2%	Registered New FDI (\$ m)	ytd	\$ 9,489	\$ 6,375	\$ 4,012
	{ yoy	8.6%	17.6%	0.6%	Change ytd registered FDI	yoy	128.4%	207.4%	50.5%
Manufacturing Index	{ mom	11.1%	-2.2%	-10.0%	Disbursed FDI (\$ m)	ytd	\$ 4,960	\$ 2,950	\$ 1,510
	{ yoy	10.2%	19.7%	1.6%	Change ytd disbursed FDI	yoy	7.2%	5.4%	2.0%
Exports (\$ m)	ytd	\$ 102,836	\$ 64,326	\$ 33,159	Imports (\$ m)	ytd	\$ 99,682	\$ 62,807	\$ 30,140
Change ytd exports	yoy	14.5%	8.4%	-4.3%	Change ytd imports	yoy	17.0%	15.9%	-2.6%
Trade Balance (\$ m)	ytd	\$ 3,154	\$ 1,519	\$ 3,019	Vietcombank US\$ selling rate VND		25,740	25,730	25,300
Change ytd trade bal	yoy	-31.7%	-70.5%	-18.5%	Change VCB US\$ selling rate	yoy	3.1%	3.7%	2.9%
PMI	mth	50.5	49.2	48.9	VND 12-mth deposit rate p.a.		4.6%	4.6%	4.6%

Sources: GSO, SBV, VCB, Customs, S&P Global + press      denotes improvement      deterioration or unchanged

### Growth momentum remained strong in 1Q but now overshadowed by the US's tariff threat

US President Trump's opening the global trade war on 2 April 2025 has put all other economic developments into a haze of uncertainty. The so-called 'reciprocal' tariffs<sup>1</sup> of 46% applied to all Vietnamese exports to the USA are one of the highest and will require debt negotiation by the Government to contain the direct damage to the economy, although indirect effects from other countries or from a global recession could be extensive.

A positive note however is that the economy went into the crisis in a strong position. Growth slackened in January due to the LNY holiday, but more momentum from the 4Q 2024 was retained than in previous years (1Q growth normally down by 0.9-1.0 ppts against the preceding 4Q). All sectors performed well: the Industrial & Construction sector grew by 7.4% yoy (1Q 2024: 6.3%), contributing 40.2% of 1Q GDP growth, with Manufacturing & Processing up 9.3% (7.0%), Construction up 8.0% (6.8%) while Mining & Extraction continued to drag by -5.8%, a tick lower than in 1Q 2024. The Services sector grew by 7.7% yoy, up from 6.1% in 1Q 2024, and contributed 53.7% of 1Q GDP growth, with the Agricultural sector growing robustly by 3.7% yoy and contributing 6.1% of 1Q growth.

### PMI improves to 50.5 points in March; 1Q trade surplus with U.S.A. grows 22% yoy

The manufacturing index grew by 9.5% yoy in the 1Q 2025, up from 5.9% in 2024, and showed good growth for most of the goods' categories, notably leather products (18.1%), garments (14.6%), furniture (12.9%) and electronics (10.6%) while electrical products

<sup>1</sup> Crudely calculated as half the net export surplus divided by the total exports to the USA in 2024

contracted by 1.1% yoy. The PMI also rose to over 50 points for the first time in three months due to rising output and new orders. However, manufacturers were cautious: export orders already fell sharply in March and purchasing and hiring activity was low.

The export figures mirror the manufacturing indices, electronics growing 29.2% yoy to US\$21.1bn, mobile phones dropping by 0.9% yoy to US\$14.0bn followed by textiles, shoes and furniture all growing by around 11-12% yoy. Vietnam's vulnerability to the tariffs is apparent as the trade surplus with the USA of US\$27.3bn in the 1Q 2025 is the largest, up 22.0% yoy (followed by the EU with US\$9.9bn, up 17.6%), despite increasing US imports by 21.0% to fifth place at US\$4.1bn, marginally above EU imports of US\$3.8bn (up 1.7%). According to HSBC, at stake is also an estimated 11% value-added in Vietnam in these exports, second only to 17.5% added in Mexico<sup>2</sup>.

### **Retail sales robust; tourism on track to regain pre-pandemic level**

Consumer confidence was still strong in the 1Q and retail sales of goods and services grew by 9.9% yoy in nominal and by 7.5% in real terms, up from 8.2% yoy and 5.1% respectively in the 1Q 2024. Notably retail sales also grew by 1.2% qoq and avoided the usual dip in growth following the LNY. Tourism continued to boost retail sales. Hospitality services (accommodation, catering and travel services), which made up 13.0% of retail sales, grew by 16.6% yoy and 6.8% qoq in 1Q 2025, up from 9.8% yoy and 3.8% qoq in 4Q 2024. A total of 6.0m inbound tourists arrived in 1Q 2025, growing by 29.6% yoy and 23.4% qoq. Tourist arrivals are thus well on track to exceed the pre-pandemic total of 18.0m arrivals in 2019. Although the second and third quarters have been the low seasons for inbound tourists<sup>3</sup>, now Chinese tourists are back, increasing by 78.3% yoy and 53.6% qoq to resume their leading position, accounting for 26.4% of total arrivals, ahead of Korea (20.9%) and Taiwan (5.5%).

### **FX inflows sound, but exchange rate weak as uncertainties increase**

The goods' trade surplus of US\$3.2bn was lower than record high in 1Q 2024 (US\$7.7bn), but in line with the preceding five-year average (US\$2.8bn). The trade deficit in services improved due to the increase in inbound tourists and fell 3.4% yoy to US\$1.6bn. FDI disbursements increased by 7.2% yoy to almost US\$5.0bn (but short of the US\$8.0bn in 4Q 2024). FDI approvals remained very strong reaching US\$9.5bn, over double the amount in 1Q 2024. While the trade-weighted DXY index of the USD weakened by 8.3% ytd<sup>4</sup>, the VND also weakened and lost 1.3% against the USD because of all the uncertainties over the same period.

### **Government budget surplus grows; monetary conditions stable**

The strength of the economy led to 29.3% yoy growth of Government revenues and, with expenditures up by only 11.6% yoy, the budget surplus increased by 68.3% to VND293.1tn.

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<sup>2</sup> HSBC Global Research, 8.4.25

<sup>3</sup> HSBC Global Research, 31.3.25 Emerging Markets FX Roadmap

<sup>4</sup> LSEG Refinitiv Workspace, 15.04.25

Disbursed state investment capital increased by 19% yoy to fulfil 13.5% of the annual plan while private investment activity remained subdued, growing by 5.5% to VND361.5tn or 54.2% of total investments. Total bank credit accelerated by 3.9% by end of 1Q 2025 from 1.4% for the 1Q 2024. Inflation remained on an elevated level of 3.1% yoy though is still comfortably within the SBV's range of 4.5-5.0% for 2025.

## 2. STOCK MARKET

### VNIndex posted 3.2% increase in 1Q 2025

Despite Vietnam's robust 2024 GDP growth of 7.1%, initial market sentiment exhibited caution during the first two weeks of 2025, resulting in a 3.0% contraction in the VNIndex (VNI). This caution was largely attributed to investor apprehension regarding the impending U.S. presidential transition and the extended Tet holiday period. However, market momentum shifted in mid-January, with the VNI demonstrating a 2.9% increase from January 14 to January 24 immediately prior to the Tet holiday, primarily driven by gains within the banking sector. Following the Tet holiday, the index experienced a 1% decline amid concerns pertaining to technology stocks and uncertainty surrounding the U.S. President Donald Trump's proposed tariffs on imports from Mexico and Canada, which were scheduled for implementation on February 4.

Nevertheless, the VNI subsequently maintained an upward trajectory for the remainder of the month. This market rally was underpinned by several key factors. The U.S. decision to postpone its tariffs on imports from Mexico and Canada on February 4 as discussed above catalyzed a global stock market rally, including Vietnam's. A stable macroeconomic environment reinforced investor confidence, while the Government's commitment to accelerated economic expansion—through messages such as raising the 2025 GDP target to 8%, establishing a 16% credit growth target, and promoting a low-interest rate environment—further bolstered market sentiment.

The index continued its ascent by 2.4% in the first half of March, reaching a peak of 1,336.3 on March 17 (the highest level observed since May 2022). This upward movement is primarily attributable to strong performance within the Real Estate sector, mainly driven by Vingroup JSC (HSX: VIC) and Vinhomes JSC (HSX: VHM). This performance was supported by VHM's introduction of new large-scale projects, HoSE's approval for Vinpearl's stock listing, strong VinFast delivery figures for early 2025 and substantial pre-orders for its four forthcoming models, and significant inflows of foreign capital into these equities throughout March. Furthermore, the resumption of KRX trading system testing by the Ho Chi Minh Stock Exchange (HOSE) on March 17, and the system's projected launch date set for May 5, contributed to increased market confidence.

However, the VNI's positive trajectory proved unsustainable, and the index experienced a 2.2% decrease in the latter half of March, ultimately closing the first quarter at 1,306.9, representing a year-to-date increase of 3.2%. This market weakening during the latter part of March was primarily driven by continued outflows of foreign investment and heightened investor caution in anticipation of the US President Donald Trump's scheduled tariff

announcement on April 02. As of the end of 1Q, the VNI had outperformed Thailand's SET (-17.3%), Indonesia's JCI (-8.0%), and the Philippines' PCOMP (-5.3%).

### **Market liquidity improved qoq while foreign investors net sold**

During 1Q 2025, the aggregate average daily trading value (ADTV) for HSX, HNX, and UPCoM amounted to US\$704.2m, representing a marginal 7.4% quarter-over-quarter expansion yet a 26.6% year-over-year contraction. Nevertheless, market liquidity demonstrated an upward trend on a monthly basis, with March ADTV attaining US\$870.4m, the highest level since June 2024. This improvement was driven by heightened confidence among domestic investors subsequent to the VNI's breach of the 1,300-resistance threshold after repeated attempts over the preceding 12 months. Concurrently, foreign investors persisted in their selling trend for the eighth consecutive quarter, recording net outflows of US\$1.1bn year-to-date.

### **Performance by market capitalization and sector**

In terms of performance by market capitalization, mid-cap and large-cap stocks outperformed during the quarter, with the VN70 Index and VN30 Index registering increases of 1.6% and 1.4%, respectively. Conversely, small-cap stocks, represented by the VNSC Index, exhibited a flat performance.

Regarding sector performance, the Real Estate and Financials sectors were the leading sectors, generating returns of 18.6% and 5.1%, respectively. Gains in the Real Estate sector were primarily attributable to VIC (+43.0%) and VHM (+28.3%), as previously detailed. The Financials sector's performance was underpinned by a more optimistic growth outlook for banking stocks in 2025, driven by the improved economic context and a recovering real estate market, implying stronger credit demand, improved net interest margins, and diminished non-performing loan pressures. Conversely, the Information Technology (-20.0%) and Consumer Discretionary (-6.7%) sectors demonstrated the weakest performance, weighed down by losses in FPT Corp (HSX: FPT, -20.7%), Mobile World Investment Corp (HSX: MWG, -3.3%), FPT Digital Retail (HSX: FRT, -11.1%) and Phu Nhuan Jewelry (HSX: PNJ, -14.4%), largely due to profit-taking activity for the first three stocks and concerns about subdued demand and gold supply constraints amid increasing gold prices for the latter.

## **3. BOND MARKET**

### **3.1 Government Bond Market**

#### **Demands weakened month by month**

VND110.4tn G-Bonds were issued in 1Q 2025, 38% higher than what was issued in 1Q 2024, and 88% higher than what was issued in the previous quarter. The issuance volume was highest in March, accounting for nearly 60% of the entire 1Q volume. Easing liquidity of the banking system in the final month of the quarter, accompanied by weakening USD on the global market led to stronger demands for GBonds, where subscription volume surged to nearly VND100tn, more than double that of February and 4x that of January 2025.

Subscription/Offer of March increased to 1.3x from less than 1.0x recorded in the first two months of the year.

Tenor of successfully issued bonds continued to concentrate on 10 years, which accounted for 92.6% in March and 91.8% in 1Q 2025. As demands geared towards 10YR GBonds, State Treasury also adjusted the offer volume of each tenor, where 10YR offer rose to VND127.5tn or 3x 1Q issuance plan while the offered volume of other tenors was significantly lower than the plan. Subscription/Offer of 10YR reached 1.2x, but those of most other tenors were 0.5x or less.

### Government Bond Issuance in 1Q 2025 (VND Billion)

Tenor	Issue Plan	Issue Amount	Actual Issue/Plan	Actual Issue/Offer	Subscription /Offer	Subscription /Issue
5-year	25,000	4,200	16.8%	40.0%	0.5x	1.2x
7-year	2,000	0	0.0%	-	-	-
10-year	42,000	101,399	241.4%	79.5%	1.2x	1.6x
15-year	35,000	3,040	8.7%	22.5%	0.7x	3.0x
20-year	2,000	500	25.0%	33.3%	0.3x	1.0x
30-year	5,000	1,301	26.0%	20.0%	0.2x	1.2x
<b>Total</b>	<b>111,000</b>	<b>110,440</b>	<b>99.5%</b>	<b>69.2%</b>	<b>1.1x</b>	<b>1.6x</b>

### Yields of all tenors rose during the first two months but diverged in March

During the first two months, on both primary and secondary markets, yields of all tenors rose. On the primary one, by end of February, 10YR, yielded around 20bps higher than by end of 2024 and generated a gap of around 12bps with that on the secondary market. Other tenors recorded very low issuance volume, but success bidding rates also rose around 5bps. During the final month of the quarter, yields stayed mostly flat on the primary market, but declined on the secondary one. All declines happened in the first week of March, between 10 and 12.5bps for 5-15YR tenors, 4 and 5bps for 20-30YR tenors. By end of March, yield gap between the two markets was erased for 10YR tenor but still sustained at ~10bps for 15YR and 14bps for 5YR tenor.

### Government Bond Yields 5-30 years



On the global market, USD started weakening in mid-January and by end of March, DXY declined by nearly 4% as Trump Administration's announcement of various tariffs on key imports from big trading partners including China, Canada, Mexico has raised concerns on higher inflation and slower economic growth. As a result, there was also some relief on VND, but with rising demands for USD to finance growing imports, VND still depreciated, but to a small extent of 0.4% over the first quarter. Pressure on VND has increased significantly since April 2<sup>nd</sup> as concerns on catastrophic impacts on Vietnam's economy if the reciprocal tariff of 46% is applied. VND depreciated by another 1.6% within just a couple of first days of April. All such factors have contributed and are expected to continue to contribute to rising yields going forwards to 2Q 2025. Although the US President has decided 90-day pause of the reciprocal tariffs and trade negotiations between Trump Administration and the Government of Vietnam started, a lot of uncertainties linger ahead. In addition to pressures on currency, demands for funding to finance public investments are also expected to rise, which would make yields higher.

### Secondary market very active throughout the quarter

In the first quarter of 2025, the average daily transaction volume on the secondary market was around VND9.0tn, the same as what was recorded in 4Q 2024, but 38.6% higher than what was recorded in 1Q 2024. The market's activities improved month by month with average daily trading volume rising from VND6.8tn in January to VND11.4tn in March. Foreign investors net bought in all three months of the quarter with an accumulated amount of VND3.1tn (US\$121.1m).

### 3.2 Corporate Bond Market

On the private placement market, there was no bond issued during the first two months as all issuers need audited financial reports to complete the issuance procedures. In March, Asia Commercial Bank and Viet Dragon Securities issued a total face value of VND2.0tn. While 2YR tenor bonds of ACB offer first year coupon rate of 5.6%, 60bps higher than similar ones offered by ACB in November last year, 1YR tenor bonds of Viet Dragon Securities offer the same coupon rate as the ones issued in November 2024. On the public offering market, year to date, there were 8 issuances with total volume of VND23.1tn by 6 banks (VND17.8tn, equivalent to 77% total issuance) and 2 securities companies (VND5.3tn, equivalent to 23% total issuance). Bonds issued by securities companies offer first year coupon rate of 8.3%-8.5%, while Tier 2 8YR bonds by Vietinbank offer first year coupon rates of 5.725%, while Tier 2 7YR bonds by Tier 3 banks like Loc Phat offer first year coupon rates of 7.575%.

On HNX exchange for private placement bonds, VND274.5tn transaction value was recorded in 1Q 2025. Corporate bonds by commercial banks (ACB, TPB, OCB) and real estate developers (Viet Duc, Vinam Land, My Khanh) were issuers with the highest transaction volume.

## 4. FUND PERFORMANCE

### 4.1. Fund Summary

NAV (As of 31 March 2025)

FUND	INCEPTION DATE	STRATEGIC ALLOCATION		NUMBER OF UNITS ( million units)			TOTAL NAV (VND'bn)		
		Equity (%)	Fixed Income (%)	Inception	Last quarter	This quarter	Inception	Last quarter	This quarter
VCBF-FIF	9/8/2019	0	100	5.7	26.7	31.1	56.6	386.1	457.5
VCBF-TBF	24/12/2013	50+/-25	50+/-25	6.0	11.5	12.7	60.4	381.2	418.2
VCBF-BCF	22/8/2014	100	0	5.9	19.6	22.2	59.2	702.4	780.6
VCBF-MGF	2/12/2021	100	0	15.3	45.8	60.3	153.0	613.5	793.8
VCBF-AIF	2/4/2025	100	0	9.6	n/a	20.7	96.0	n/a	201.2
<b>Total</b>				<b>42.5</b>	<b>103.6</b>	<b>147.0</b>	<b>425.2</b>	<b>2,083.2</b>	<b>2,651.3</b>

### Investment Objectives and Risk/Return Profile

FUND	INVESTMENT OBJECTIVES	RISK/RETURN PROFILE
<b>VCBF Fixed Income Fund (VCBF-FIF)</b>	Capital Protection + Income	Low
<b>VCBF Tactical Balanced Fund (VCBF-TBF)</b>	Total Return (Capital Appreciation + Dividend + Interest Income)	Medium to High
<b>VCBF Blue Chip Fund (VCBF-BCF)</b>	Total Return (Capital Appreciation + Dividend)	Medium to High
<b>VCBF Mid-Cap Growth Fund (VCBF-MGF)</b>	Total Return (Capital Appreciation + Dividend)	High
<b>VCBF Active Income Fund (VCBF-AIF)</b>	Total Return (Dividend + Capital Appreciation)	Medium to High

### Investment Strategy and Benchmark

FUND	INVESTMENT STRATEGY AND BENCHMARK
<b>VCBF-FIF</b>	<p><b>Investment Strategy:</b> The fund will invest up to 100.0% of its assets in fixed income assets, which mainly consist of Government bonds of Vietnam, municipal bonds, Government guaranteed bonds and corporate bonds. The fund will not buy shares but may exercise the right to convert bonds into shares or exercise the right to buy shares if this right is attached to bond holdings. In any case, the value of shares held by the fund will not exceed 20.0% of the Fund's Net Asset Value.</p> <p><b>Benchmark:</b> The fund's benchmark return is 10-year government bond yield</p>

**VCBF-TBF****Investment Strategy:**

- VCBF-TBF has a balanced allocation of 50% of its total assets in equity securities and 50% in high credit quality fixed income securities. The asset allocation may vary tactically from the balanced allocation by  $\pm 25.0\%$  subject to VCBF's investment team's assessment of risk and return in these asset classes and the availability of investment opportunities.
- The high credit quality fixed income securities include bank deposits, Vietnam Government bonds and municipal bonds or bonds guaranteed by the Government or listed corporate bonds. Listed corporate bonds are considered only if the bonds meet certain safety requirements.
- With regard to equity, the fund will primarily invest in a diversified portfolio of stocks listed on the Ho Chi Minh Stock Exchange (HSX), Hanoi Stock Exchange (HNX) and the Unlisted Public Company Market (UPCoM) which have large or medium market capitalization and are liquid. The fund follows a bottom-up approach to stock-picking by valuing fundamentals of the companies and chooses companies across various sectors.

**Benchmark:** The fund's benchmark return is the average of the change in VN-Index and 10-year government bond yield

**VCBF-BCF****Investment Strategy:**

- VCBF Blue Chip Fund (VCBF-BCF) will primarily invest in a diversified portfolio of stocks listed on the HSX, HNX and UPCoM which have a large market capitalization and are liquid. Stocks with large market capitalization are considered as those with market capitalization larger than the smallest stock, by market capitalization, of the VN30 index of the HSX.
- The fund follows a blend of value and growth style of investing. In seeking sustainable growth characteristics, VCBF evaluates the long-term market opportunity and competitive structure of an industry to target leaders and emerging leaders. In assessing value, the Manager considers whether security prices fully reflect the balance of sustainable growth opportunities relative to business and financial risks.
- The fund will follow a bottom-up approach to selecting stocks for investment, focusing on the individual attributes of a company, and choosing companies across sectors. In evaluating sector weighting in the Fund's investment portfolio, the investment manager considers, but may deviate from the relative weightings of sectors in the benchmark index.

**Benchmark:** The fund's benchmark return is the change in VN100 Index

**VCBF-MGF****Investment Strategy:**

- VCBF Mid-cap Growth Fund (VCBF-MGF) will invest up to 100% of its assets primarily in stocks listed on the HSX, HNX and UPCoM. The Fund will invest a majority of its assets in stocks that have medium-sized market capitalizations and of companies with strong growth outlook. Stocks with medium-sized market capitalizations are considered as those with market capitalizations within the range of market capitalizations of companies in the VNMidcap (VN70) Index.
- The fund primarily follows the growth style of investing. In seeking sustainable growth characteristics, VCBF evaluates the long-term market opportunity and competitive structure of an industry to target leaders and emerging leaders.
- The fund will follow a bottom-up approach to selecting stocks for investment, focusing on the individual attributes of a company, and choosing companies across sectors. In evaluating sector weighting in the Fund's investment portfolio, the investment manager considers, but may deviate from the relative weightings of sectors in the benchmark index.

**Benchmark:** The fund's benchmark return is the change in VNMidcap (VN70) Index

#### VCBF-AIF

##### **Investment Strategy:**

- VCBF Active Income Fund (VCBF-AIF) will invest up to 100% of its assets primarily in stocks listed on the HSX, HNX and UPCoM. The Fund will invest a majority of its assets in high dividend stocks whose dividends can provide steady, current income that may help cushion against price declines, as well as contribute to total return. High dividend stocks are defined as stocks which pay higher dividend yields than the average dividend yield of all companies in the VNIndex in the last calendar year.
- The Fund will follow a bottom-up approach to selecting stocks for investment, focusing on the individual attributes of a company, and choosing companies across sectors.
- The Fund will primarily follow value style of investing. In assessing value, the investment manager considers whether security prices fully reflect the balance of sustainable growth opportunities relative to business and financial risks.

**Benchmark:** The fund's benchmark return is the change in VN-Index

#### Portfolio Managers

Ms. Duong Kim Anh

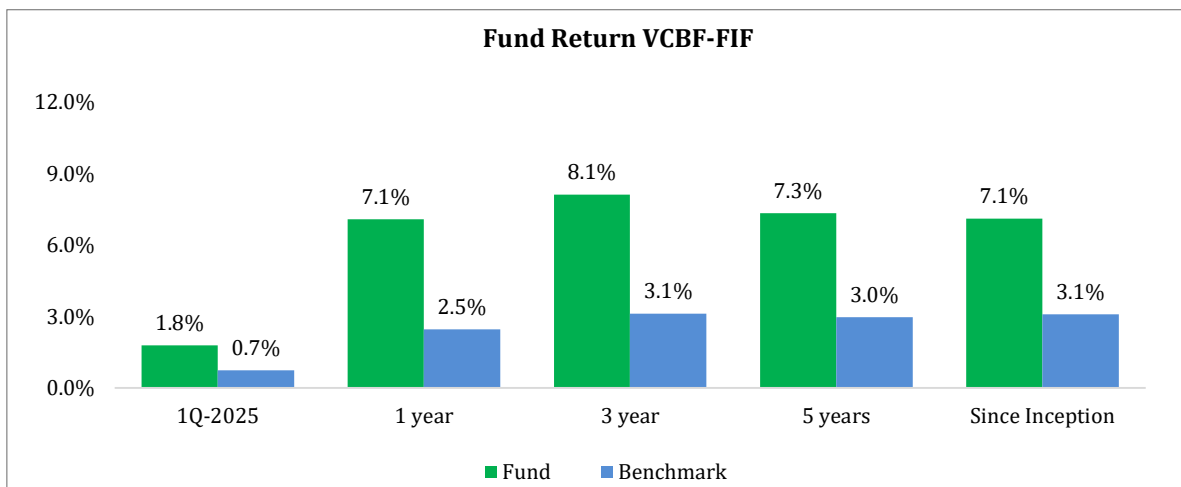
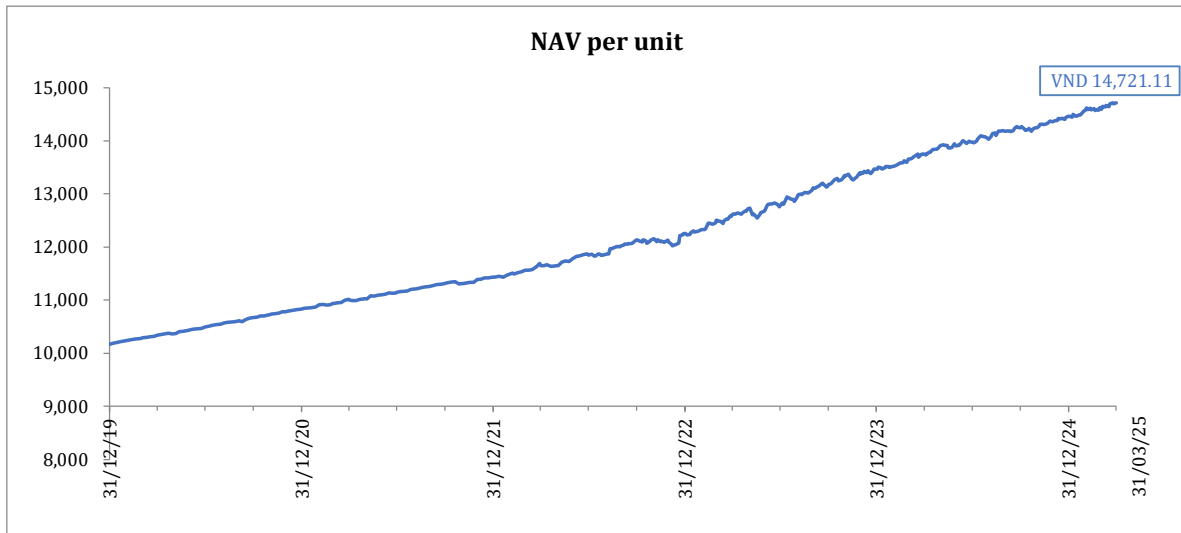
Mr. Nguyen Trieu Vinh, CFA

Mr. Nguyen Duy Anh, CFA

Mr. Pham Le Duy Nhan

## 4.2. VCBF Fixed Income Fund (VCBF-FIF)

### Performance Summary



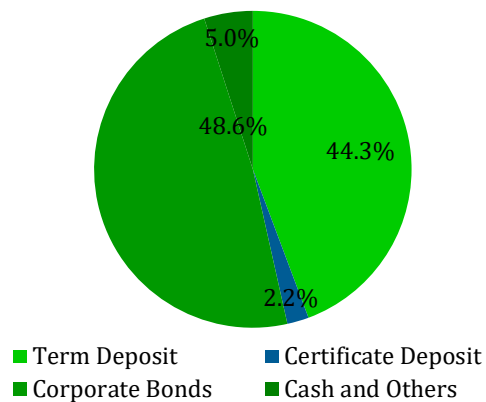
#### Notes:

- Return is annually compounded and net of all fees. Return is calculated by VCBF based on NAV provided by the fund administrator, Standard Chartered Bank (Vietnam) Ltd, and has not been verified by any other third parties. Historical returns do not imply or guarantee future performance.
- Benchmark Return = 10-year Government Bond Yield

In 1Q 2025, VCBF-FIF's delivered a return of 1.8%, outperforming its benchmark's return by 1.1%. The outperformance is mainly attributed to the allocation of over 50% the Fund's NAV to corporate bonds, which generated higher yields, most of the time during the quarter. However, the supply of qualified listed corporate bonds has continued to be very limited while the inflow to the Fund has continued to be good. This has caused the proportion of high yield assets in the Fund to gradually drop from 60% of the Fund's NAV by end of 2024 to less than 50% by end of 1Q 2025. This has negatively affected the Fund's performance in

1Q 2025 and such negative impact might prolong if the public offering of corporate bonds is not improved in the following quarters.

### Asset Allocation

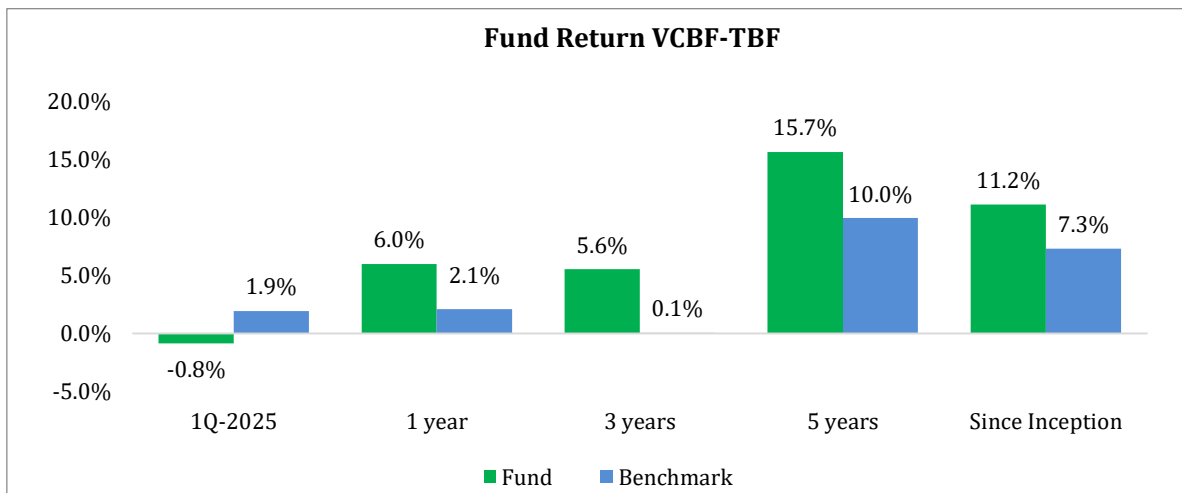
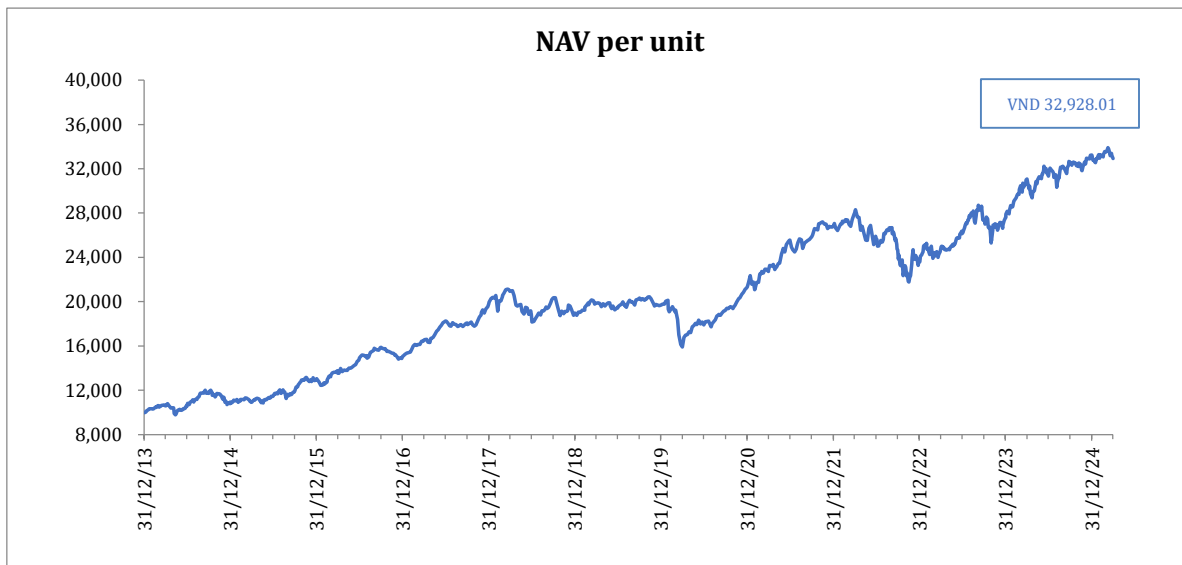


Top Holdings	% NAV
Bond of Vinhomes JSC (VHM121025)	9.6%
Bonds of Agribank (VBA122001, VBA124019, VBA123036)	9.4%
Bond of Masan Group Corp. (MSN123008)	8.6%
Bond of Masan Meatlife Corporation (MML121021)	7.0%
Bonds of Investment and Industrial Development Corporation (BCM12427003)	6.9%
Bond of TNG Investment And Trading JSC (TNG122017)	6.0%
Bond of Viet Dragon Securities Joint Stock Company (VDS12501)	1.1%

Data as of 31 March 2025

### 4.3. VCBF Tactical Balanced Fund (VCBF-TBF)

#### Performance Summary



#### Notes:

- Return is annually compounded and net of all fees. Return is calculated by VCBF based on NAV provided by the fund administrator, Standard Chartered Bank (Vietnam) Ltd, and has not been verified by any other third parties. Historical returns do not imply or guarantee future performance.
- Benchmark Return = 50% × 10-year Government Bond Yield + 50% × VNIndex Change

In 1Q 2025, VCBF-TBF recorded a negative return of 0.8% and underperformed the benchmark's return of 1.9%. The Fund underperformed its benchmark as it overweighted equity and the fund's equity portfolio trailed its respective benchmark, the VNIndex, as analyzed further below. Since inception, the fund has outperformed its benchmark by 3.9% per annum.

## Attribution analysis

Attribution Summary VCBF-TBF: 1Q 2025					
Total return (%)			Sector allocation (%)	Stock selection (%)	Total attribution (%)
Portfolio	Benchmark	+/-			
-1.4	3.2	-4.6	1.6	2.6	-4.6
Key stock selection	% average weight			% total return	
	Portfolio	Benchmark	+/-	Portfolio	Benchmark
PNJ	4.9	0.6	4.3	-14.4	-14.4
BWE	4.0	0.2	3.8	-5.8	-5.8
GMD	3.0	0.5	2.5	-11.8	-11.8
Key sector allocation	% average weight			% total return	
	Portfolio	Benchmark	+/-	Portfolio	Benchmark
Information Technology	11.1	4.3	6.7	-20.7	-20.0
Consumer discretionary	11.0	3.5	7.5	-8.3	-6.7
Real Estate	7.0	12.8	-5.8	16.2	18.6

The attribution analysis of VCBF-TBF's equity portfolio is run against the total return of the VNI. In 1Q 2025, the Fund's equity portfolio recorded a negative return of 1.4%, underperforming the gain of 3.2% of the VNIndex. The negative alpha was due to both stock selection and sector allocation. Specifically, the underperformance from stock selection was mainly due to overweighting stocks whose prices declined in the quarter including Phu Nhuan Jewelry JSC (HSX: PNJ, -14.4%), Binh Duong Water Environment Corporation (HSX: BWE, -5.8%), Gemadept Corporation (HSX: GMD, -11.8%).

- PNJ: The decline in PNJ's share price could be attributed to market concerns about the negative impact of surging gold prices on its core business - gold jewelry retail. Elevated gold prices have made it more difficult for PNJ to source input materials, while higher price tags may also dampen consumer demand. In 1Q 2025, PNJ posted declines in revenue and net profit of 23% and 8% YoY, which largely due to the scale down in gold bar business amid shortages in gold supply. Despite these short-term headwinds, the company's long-term outlook remains solid. With unmatched gold jewelry manufacturing capabilities and the largest retail network in Vietnam, PNJ is well-positioned to benefit from the ongoing shift toward branded jewelry, driven by the continued expansion of the middle and upper classes.
- BWE: The decline in BWE's share price could be attributed to investors' profit taking activity after the stock rallied by 31.4% in 2024 as the company's business performance remains resilient. The company expects an annual increase in water sales volume 10% in the next five years, supported by continued growth in its core market of Binh Duong province, as well as expansion into new markets such as Long An and Binh Phuoc provinces. While the US tariff measures may pose challenges, water consumption is expected to remain stable even during economic downturn.
- GMD: The decline in GMD's share price may stem from investor concerns over the U.S. tariff threat and increased competition from new port capacity in the northern market. An unfavorable tariff rate, if implemented, could negatively affect GMD's outlook. In 2024, cargo destined for the U.S. accounted for approximately 25% of total throughput at GMD's ports. This ratio is expected to decrease in 2025, as the company has recently

secured new service routes to countries other than the U.S. at its Gemalink port. In the northern market, Lach Huyen deep-sea ports 3, 4, 5, and 6 are scheduled to begin operations in 1Q 2025, heightening competition at Hai Phong port cluster. However, GMD's Nam Dinh Vu port primarily handles feeder and mid-size vessels operating on intra-Asia routes, whereas the new Lach Huyen ports will cater to larger mother vessels on Asia-EU and Asia-U.S. routes. Moreover, Nam Dinh Vu port is more strategically located and offers handling fees that are 30–40% lower, making it more competitive than the Lach Huyen deep-sea ports. Looking ahead, management is confident in achieving 12% year-over-year growth in recurring net profit in 2025. The company is also actively exploring strategic options to mitigate potential risks arising from any unfavorable reciprocal tariff actions.

As regards sector allocation, the negative alpha was mostly due to overweighting the Information Technology sector and the Consumer Discretionary sector, or specifically FPT and MWG, the two largest companies in the sectors.

- FPT's share price decline could be attributed to investor profit-taking after an 85% rally in 2024, as well as rising concerns over a potential global economic slowdown that could dampen corporate technology spending. Indeed, in 1Q 2025, the technology segment posted subdued revenue growths in the US and Asia Pacific markets of 7.8% and 2.4%, respectively. Despite this, the company's technology business performance remains solid with an increase of 17% YoY thanks to strong growth of 30.4% YoY in Japan, FPT's largest market. For full-year 2025, FPT sets revenue and net profit growth targets of 20% and 21% YoY, respectively.
- MWG's share price decline could be attributed to investor profit-taking activity after the stock rallied 43.9% in 2024. The company's business performance remains strong. In 1Q 2025, MWG posted revenue and profit growths of 15.0% and 71.5% YoY, respectively, driven by both strong revenue increases across segments (mobile phone and home appliances: +14% YoY, grocery: +20% YoY) and cost optimization as the company closed a considerable number of inefficient stores in 2024. For full-year 2025, MWG set revenue and net profit growth targets of 12% and 30% YoY, respectively.

Besides, the negative alpha from sector allocation was also due to underweighting the Real Estate sector. As noted in the Stock Market section of this report, VIC and VHM stocks rallied in the 1Q and contributed mostly to the gain of the sector. The Fund's equity portfolio underweighted the stocks due to concerns over the group's high leverage of 150% as of the end of 2024 and cash burn of VinFast, VIC's electric vehicle manufacturer. VinFast's total cash burn for capital expenditures and operating expenses in 2024 mounted US\$1.6bn and the estimated amount for 2025 is US\$2.3bn.

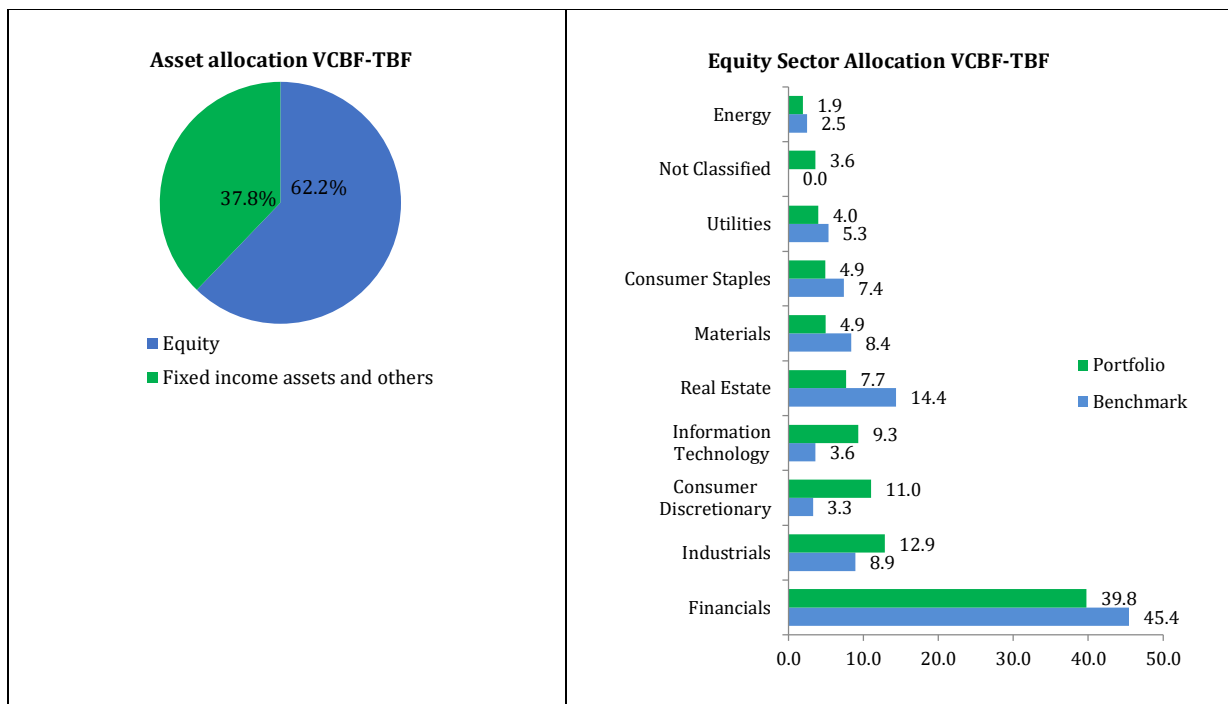
In terms of absolute return, top contributors to return of the fund's equity portfolio in the 1Q 2025 include stocks of Military Commercial JSB (HSX: MBB), Vietnam Commercial JSB for Industry and Trade (HSX: CTG) and Cotecons Construction JSC (HSX: CTD) and VIC and VHM.

- MBB's share price recorded a solid gain of 10.4% in 1Q 2025, supported by the bank's resilient business performance and positive outlook. In 4Q 2024, MBB reported consolidated pre-tax profit (PBT) of VND8.1tn (+28.6% YoY), driven by robust net interest income growth (+21.9% YoY). For the full year 2024, MBB delivered strong credit growth of 24.7%, while maintaining healthy asset quality with a non-performing loan (NPL) ratio of 1.62% as of end-2024. The bank also retained its leading position in terms of current account and savings account (CASA) ratio at 39.3%. In 2025, MBB continues to set a high credit growth target of 24 to 26% and a conservative PBT growth target of 10% YoY. As at 10 April 2025, MBB's share was trading at a 2025 forward P/B of 0.95x.
- CTG's share price increased by 9.7% in 1Q 2025, which could be attributable to the bank's strong business performance. In 4Q 2024, the bank reported a net profit before tax of VND12,245bn, which surged by 60.9% YoY. This was driven by a 13.2% YoY rise in net interest income and a 44.9% YoY decline in provision expense. For the full year 2024, CTG delivered credit growth of 16.9% YoY while improved its asset quality with the NPL ratio falling to 1.25% in 4Q 2024 from 1.45% in the previous quarter. It is worth noting that for the full year 2024, CTG achieved the highest total operating income in the sector of VND81.9tn (+16.1% YoY). Combined with the prospect of further reductions in provision expenses, this sets the stage for continued strong earnings growth in 2025. As at 10 April 2025, CTG's stock was trading at a 2025 forward P/B of 1.1x.
- CTD's share price rose by 23.7% in 1Q 2025, supported by the company's strong performance and bright outlook. In 4Q 2024, the company recorded VND5,012bn in revenue (+12% YoY) and VND105bn in net profit (+31% YoY). Backed by a robust financial position and a well-established reputation in the construction sector, CTD is well-positioned to benefit from the anticipated recovery in the residential real estate market and increased public investment. During 4Q 2024 and 1Q 2025, CTD was able to secure VND16,800bn in new contracts, bringing its total backlog as at the end of 1Q 2025 to nearly VND35,000bn. That ensures a strong revenue visibility. The company maintains a strong balance sheet with a substantial net cash balance of VND2,033bn as at the end of 2024. As at 10 April 2025, CTD's stock was being traded at a 2025 forward P/E of 15.9x and a P/B of 0.8x.
- VIC's share price surged 74% in 1Q 2025, supported by improved performance across its two core business segments – real estate and automotive. In 4Q 2024, VIC reported revenue of VND65.2tn (+138% YoY) and NPATMI of VND2.0tn, reversing from a loss of VND159bn in 4Q 2023. The real estate segment contributed VND27.9tn (+5.8x YoY), accounting for 43% of total revenue, while the manufacturing segment, primarily VinFast, recorded revenue of VND25tn (+122% YoY), representing 38% of total revenue. As of end of 4Q 2024, VIC's net debt stood at VND178.6tn, with net debt-to-equity at 1.1x (down slightly from 1.2x in 2023). Notably, the USD-denominated debt as a proportion of total debt has fallen significantly to 25.4% (from around 42% at the end of FY23), indicating reduced forex risk exposure. Regarding the outlook of VIC in

2025, it is expected to be better than previous years driven by (1) recovery of real estate market and a robust nationwide project pipeline, (2) growth in delivery volume and margin improvement of VinFast as the EV maker targets 200,000 unit deliveries in 2025 versus 87,000 in 2024. As at 10 April 2025, VIC's stock was trading at P/B of 1.7x.

- VHM's share price rose by 28.3% in 1Q 2025, supported by robust financial results and strong project pipeline. In Q4 2024, VHM recorded a revenue of VND33,136bn (+281% YoY), and a NPATMI of VND11,536bn, marking a 14-fold increase YoY. Core real estate revenue, including BCC contracts and bulk sales recognized as financial income, reached VND44.5tn (+5.7x YoY), primarily driven by contributions from the Royal Island (Hai Phong) and Ocean Park 3 (Hung Yen) projects. As of the end of 2024, VHM's unbilled bookings stood at VND94.2tn, providing strong revenue base for 2025–2026. Net debt increased to VND49tn (+26% YTD), with net debt-to-equity at 22%, up slightly by 1% from the beginning of the year but still within a safe range. 2025 outlook remains positive, underpinned by: (1) the unbilled booking of VND94.2tn from sold units, (2) Multiple potential project launches including Dan Phuong, Hau Nghia – Duc Hoa, Phuoc Vinh Tay and Can Gio. As at 10 April 2025, VHM's stock was trading at P/B of 1.05x.

### Asset Allocation

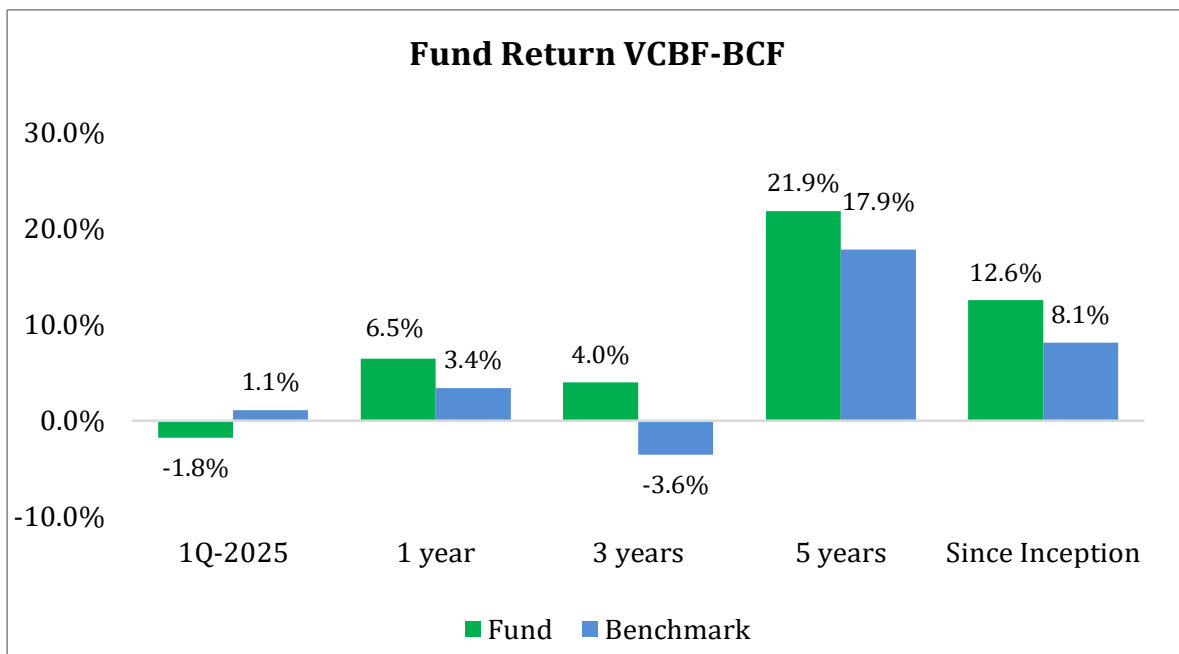
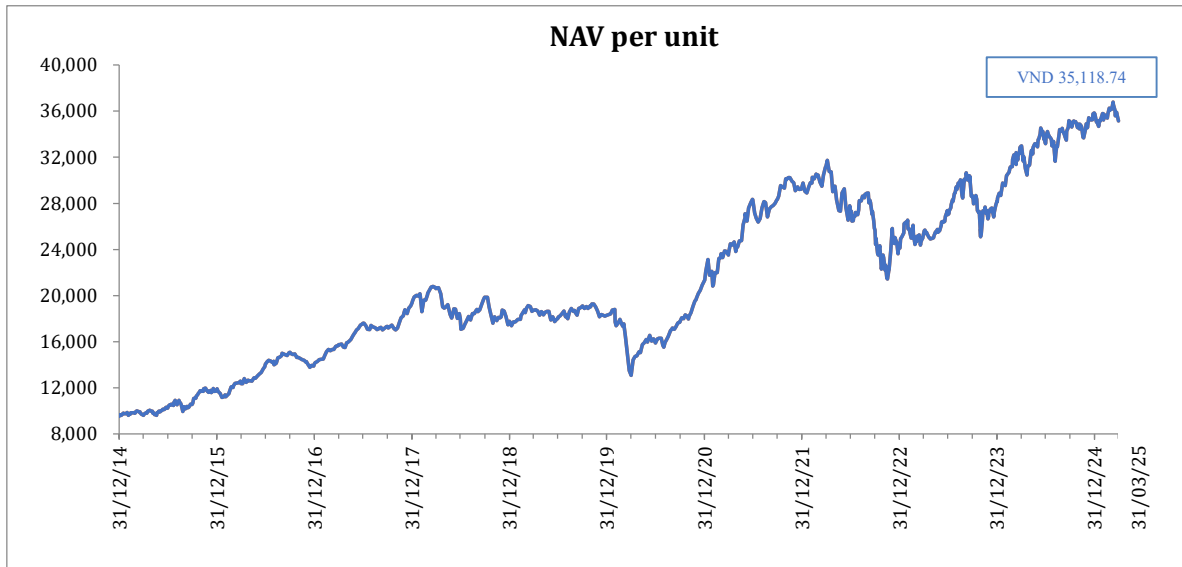


Top 10 Holdings	% NAV	Indicator	Portfolio	Benchmark	+/-
FPT Corp (FPT)	5.8%	Price to Earnings Ratio (P/E)	11.6	13.0	-1.4
Bond of Masan Meatlife Corporation (MML121021)	5.5%	Price to Book Ratio (P/B)	1.8	1.7	0.1
Military Commercial JS Bank (MBB)	5.1%	Dividend Yield (D/P)	1.9	1.8	0.1
Sai Gon Thuong Tin Commercial JS Bank (STB)	4.5%	Price to Cash Flow Ratio (P/CF)	33.3	34.4	-1.0
Bond of Investment and Industrial Development Corporation (BCMH2427003)	4.3%	EV/EBITDA	12.3	18.4	-6.1
Mobile World Investment Corp (MWG)	3.8%	ROE (LFY)	18.0	15.2	2.8
Phu Nhuan Jewelry JSC (PNJ)	3.1%	Latest FY EPS - 1 Yr Growth	164.7	97.3	67.4
Hoa Phat Group JSC (HPG)	3.1%	Total Debt to Common Equity	130.0	149.1	-19.1
Bond of Masan Group Corp. (MSN123008)	3.0%	Current Ratio	1.5	1.3	0.2
Vietnam JS Com Bank For Industry & Trade (CTG)	2.6%				

Data as of 31 March 2025

#### 4.4. VCBF Blue Chip Fund (VCBF-BCF)

##### Performance Summary



##### Notes:

- Return is annually compounded and net of all fees. Return is calculated by VCBF based on NAV provided by the fund administrator, Standard Chartered Bank (Vietnam) Ltd, and has not been verified by any other third parties. Historical returns do not imply or guarantee future performance.
- Benchmark Return = Change in VN100 Index (VN100)

In 1Q 2025, VCBF-BCF recorded a negative return of 1.8%, which underperformed the 1.1% gain of the benchmark (VN100). Since inception, the Fund has outperformed its benchmark by 4.5% per annum.

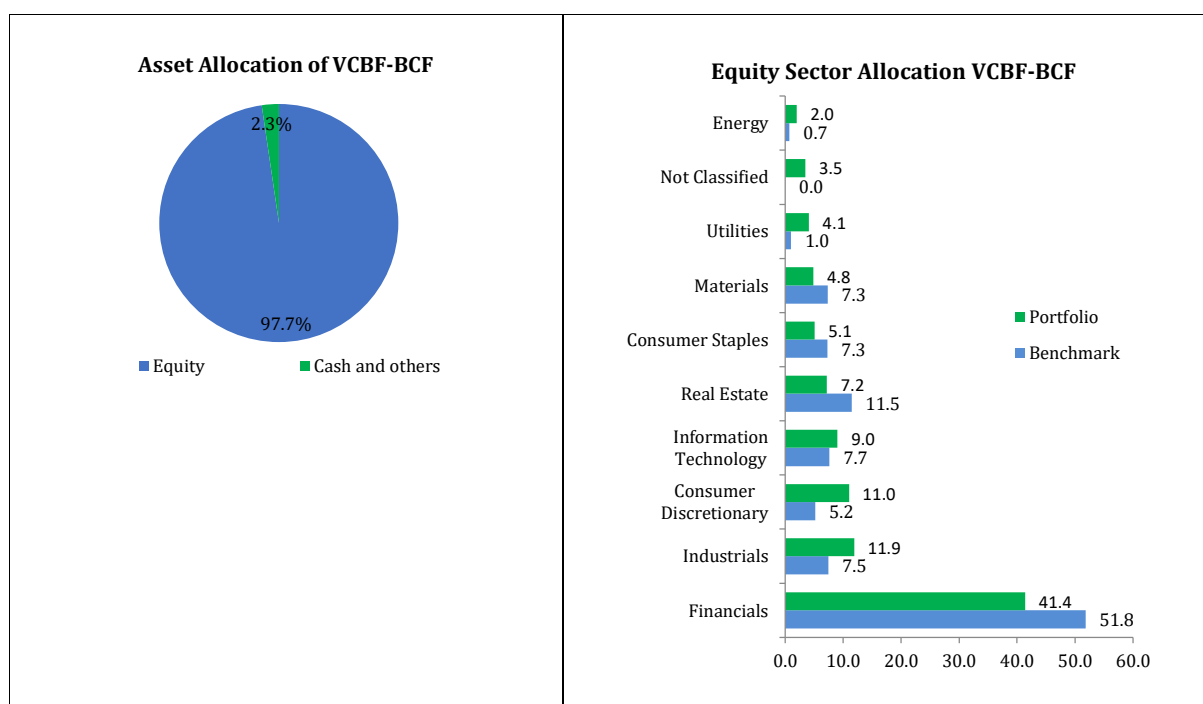
## Attribution analysis

Attribution Summary VCBF-BCF: 1Q 2025					
	Total return (%)		Sector allocation (%)	Stock selection (%)	Total attribution (%)
Portfolio	Benchmark	+/-			
-1.2	1.2	-2.4	-2.1	-0.3	-2.4
Key sector allocation	% average weight			% total return	
	Portfolio	Benchmark	+/-	Portfolio	Benchmark
Real estate	6.5	10.8	-4.2	16.8	16.4
Consumer discretionary	11.4	5.5	5.9	-7.9	-7.2

Attribution analysis of the equity portfolio of VCBF-BCF is run against the total return of VN100. In 1Q 2025, the Fund's equity portfolio posted a negative return of 1.2% and underperformed the VN100 index by 2.4%. The negative alpha was chiefly due to sector allocation and mainly by the Fund's underweighting the Real Estate (+16.4%) and overweighting the Consumer Discretionary sector (-7.2%). As discussed above, VIC and VHM stocks rallied in the 1Q and contributed mostly to the gain of the Real Estate sector. The reason that VCBF-BCF underweighted those two stocks is the same as that of VCBF-TBF, which is explained on page 16 above. The negative alpha from the Consumer Discretionary sector was mostly due to overweighting MWG and PNJ stocks. Discussion of the performance of MWG and PNJ and explanation for their price declines are presented on pages 15 and 16 above.

In terms of absolute return, top contributors to return of the Fund's equity portfolio in the 1Q include MBB, VIC, CTD, VHM and CTG. Please refer to pages 17 and 18 for updates on the companies.

## Asset Allocation

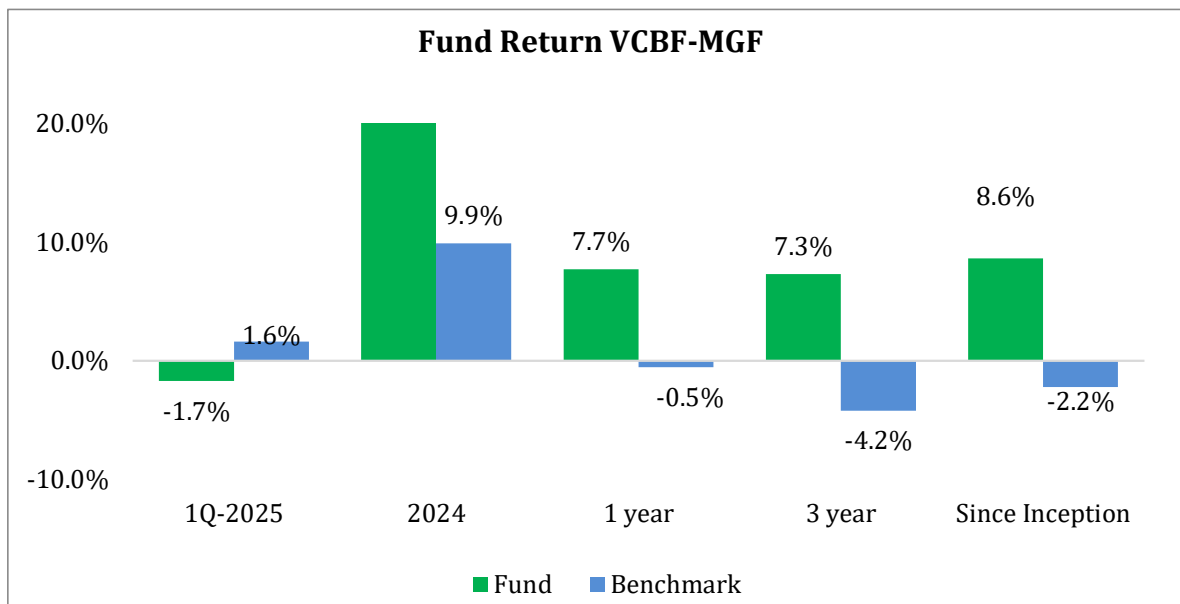
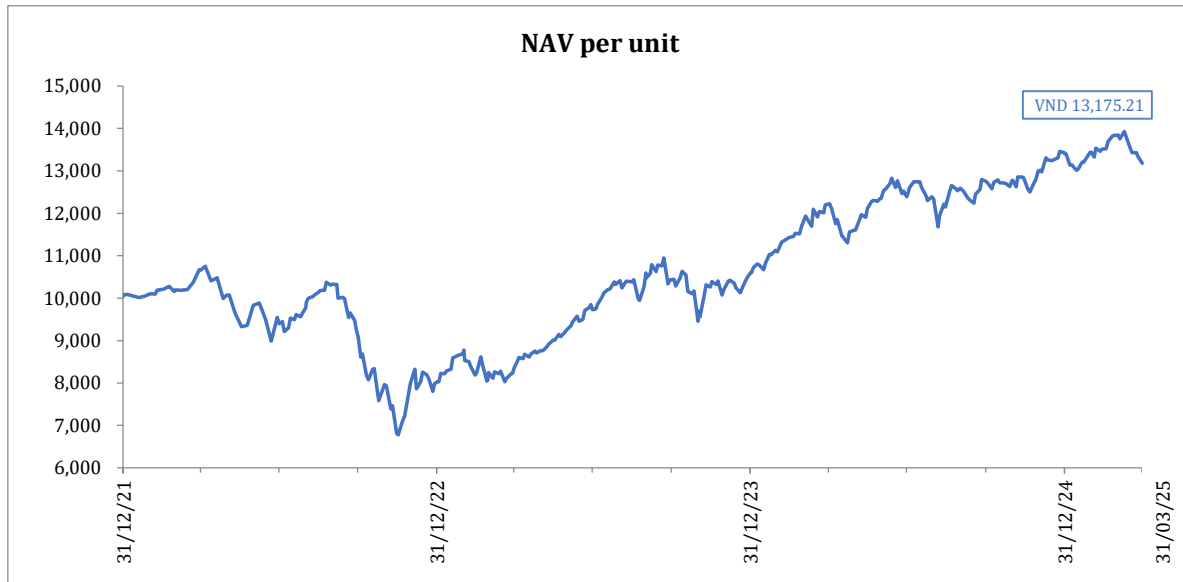


Top 10 Holdings	% NAV	Indicator	Portfolio	Benchmark	+/-
Military Commercial JS Bank (MBB)	9.2%	Price to Earnings Ratio (P/E)	11.4	11.4	0.0
FPT Corp (FPT)	8.8%	Price to Book Ratio (P/B)	1.8	1.6	0.2
Sai Gon Thuong Tin Commercial JS Bank (STB)	8.2%	Dividend Yield (D/P)	1.9	1.8	0.1
Mobile World Investment Corp (MWG)	6.2%	Price to Cash Flow Ratio (P/CF)	34.5	57.5	-23.0
Hoa Phat Group JSC (HPG)	4.7%	EV/EBITDA	12.3	17.2	-4.8
Phu Nhuan Jewelry JSC (PNJ)	4.6%	ROE (LFY)	18.1	16.3	1.7
Vietnam JS Com Bank For Industry & Trade (CTG)	4.1%	Latest FY EPS - 1 Yr Growth	170.1	143.3	26.8
Asia Commercial Bank (ACB)	4.0%	Total Debt to Common Equity	133.3	168.3	-35.0
Binh Duong Water - Environment JSC (BWE)	4.0%	Current Ratio	1.5	1.3	0.2
Vietnam Technological and Commercial Joint Stock Bank (TCB)	3.1%				

Data as of 31 March 2025

#### 4.5. VCBF Mid-cap Growth Fund (VCBF-MGF)

##### Performance Summary



##### Notes:

- Return is annually compounded and net of all fees. Return is calculated by VCBF based on NAV provided by the fund administrator, Standard Chartered Bank (Vietnam) Ltd, and has not been verified by any other third parties. Historical returns do not imply or guarantee future performance.
- Benchmark Return = Change in VNMidcap Index (VN70)

In 1Q 2025, VCBF-MGF posted a negative return of 1.7% and underperformed its benchmark (VNMidcap Index or VN70 index) by 3.3%. Since inception (02/12/2021), the Fund has significantly outperformed its benchmark as it posted a positive return of 8.6% per annum while the benchmark recorded a negative return of -2.2% per annum.

## Attribution analysis

Attribution Summary VCBF-MGF: 1Q 2025						
Portfolio	Total return (%)		Sector allocation (%)	Stock selection (%)	Total attribution (%)	
	Benchmark	+/-				
	-1.1	1.8	-2.9	-1.4	-1.5	-2.9
Key stock selection	% average weight			% total return		
	Portfolio	Benchmark	+/-	Portfolio	Benchmark	
LPB	0.0	4.2	-4.2	0.0		14.7
BWE	5.2	0.5	4.7	-5.3		-5.3
Key sector allocation	% average weight			% total return		
	Portfolio	Benchmark	+/-	Portfolio	Benchmark	
Consumer discretionary	13.1	7.5	5.6	-6.2		-13.3
Information technology	6.3	1.5	4.8	-18.6		-14.5

Attribution analysis of the equity portfolio of VCBF-MGF is run against the total return of VN70. In 1Q 2025, the Fund's equity portfolio recorded a negative return of 1.1% and underperformed its benchmark by 2.9%. The negative alpha was due to both stock selection and sector allocation. In terms of stock selection, the negative alpha was due to not holding Loc Phat Commercial JSB (HSX: LPB, +14.7%) and to overweighting BWE stock (HSX: BWE, -5.3%). As regards sector allocation, the negative alpha was mostly due to overweighting FPT in the Technology sector and MWG and PNJ stocks in the Consumer discretionary sector. Please refer to pages 15 and 16 of this report for discussions on price movement of BWE, FPT, PNJ, MWG.

In 1Q 2025, top contributors to absolute return of the Fund's equity portfolio include CTD, MBB and stocks of Tien Giang Investment and Construction JSC (HSX: THG), Saigon Thuong Tin Commercial JSB (HSX: STB) and Song Hong Garment JSC (HSX: MSH).

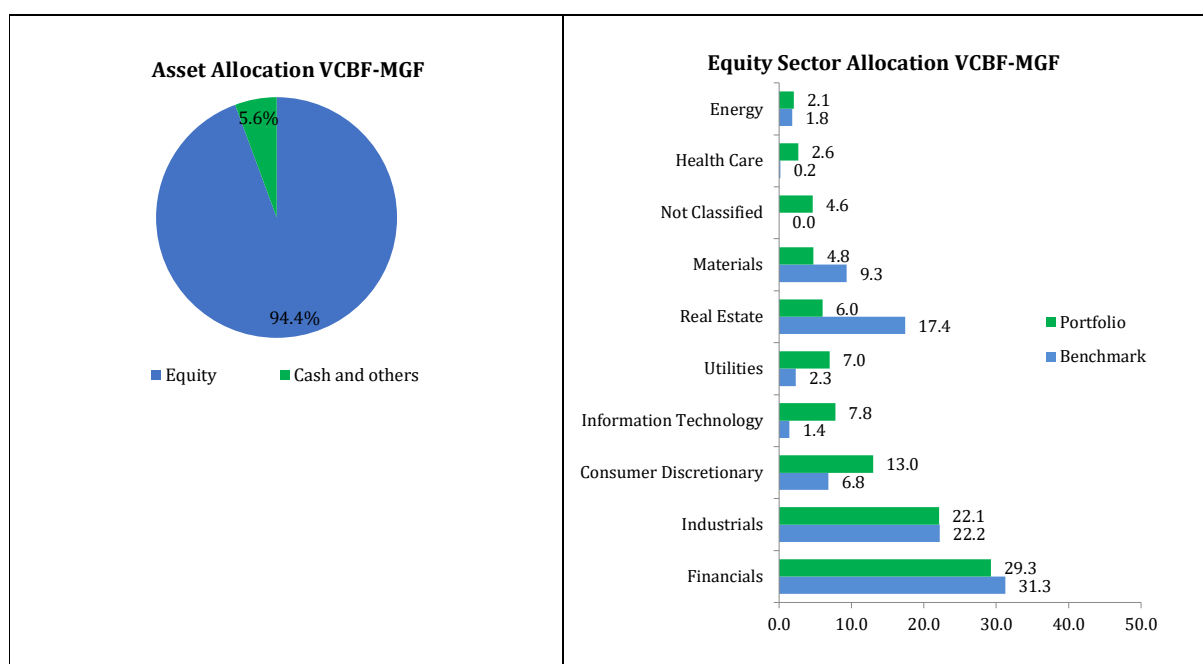
Please refer to page 17 of this report for updates on CTD and MBB.

- THG's share price rallied by 28.1% in 1Q 2025, supported by the company's strong performance and attractive valuation. In 4Q 2024, the company recorded VND618bn in revenue (+40% YoY) and VND54bn in net profit (+166% YoY), driven by solid growth across all three core segments: concrete manufacturing, residential real estate, and industrial parks. THG's outlook in 2025 remains strong, underpinned by (1) growth in the concrete segment as the Government continues to accelerate infrastructure investments and (2) a launch of a well-developed residential real estate project at prime location in Tien Giang province. Specifically, the company set a net profit target of VND160bn (+11.8% YoY) in 2025. The US's reciprocal tariff, if implemented in an extended period of time, may dampen FDI flow into Vietnam and consequently negatively impacts THG's industrial park business. However, the business only accounts for a small portion of the company's sum-of-the-part value of 18%. As at 10 April 2025, THG's stock was trading at a 2025 forward P/E of 5.0x.
- STB's share price rose by 3.8% in 1Q 2025, following an impressive return of 32.0% in 2024. This growth can be attributed to the bank's strong business performance and fast-paced restructuring process. In 4Q 2024, STB delivered a PBT of VND4.6tn (+70% YoY), driven by an encouraging growth in net-interest income of 8.9% YoY and a net

provision expense reversal of VND367bn. For full year 2024, STB's credit grew by 11.7% YoY. Regarding the restructuring process, legacy assets have been reduced to only 2.4% of total assets after eight years. STB completed the sales of loans collateralized by the Phong Phu industrial and residential project in Ho Chi Minh City and expects to receive the remaining 80% of the proceeds in 2025 and 2026. Additionally, the bank has submitted a plan to sell a 32.5% equity interest in STB, which was used as collateral for legacy loans, for government approval. Upon completion of these transactions, STB is expected to receive substantial proceeds to finance its core business and record significant non-recurring income from provision reversals. In 2025, STB continues to set a high credit growth target of 14% and a higher PBT growth target of 15% YoY. As at 10 April 2025, STB's stock was trading at a 2025 forward P/B ratio of 1.0x.

- MSH's share price increased by 14.6% in 1Q 2025, driven by robust business performance and positive new order flow early in the year. In 4Q 2024, MSH reported VND1,428bn in revenue (+23.5% YoY) and VND170bn in net profit after tax (+109.5% YoY), bolstered by a strong recovery in orders and improved gross profit margins, particularly in the cut-make-trim segment. Despite the positive momentum, MSH now faces considerable headwinds following the US's announcement of a substantial reciprocal tariff on Vietnamese products. The US market accounts for approximately 80% of the company's revenue in 2024 and thus its outlook is highly dependent on the on-going trade negotiation between Vietnam and the US. In response, MSH may have to diversify its export markets to mitigate concentration risk and reduce its dependence on the US. As at 10 April 2025, MSH is trading at a trailing P/E of 7.8x.

### Asset Allocation

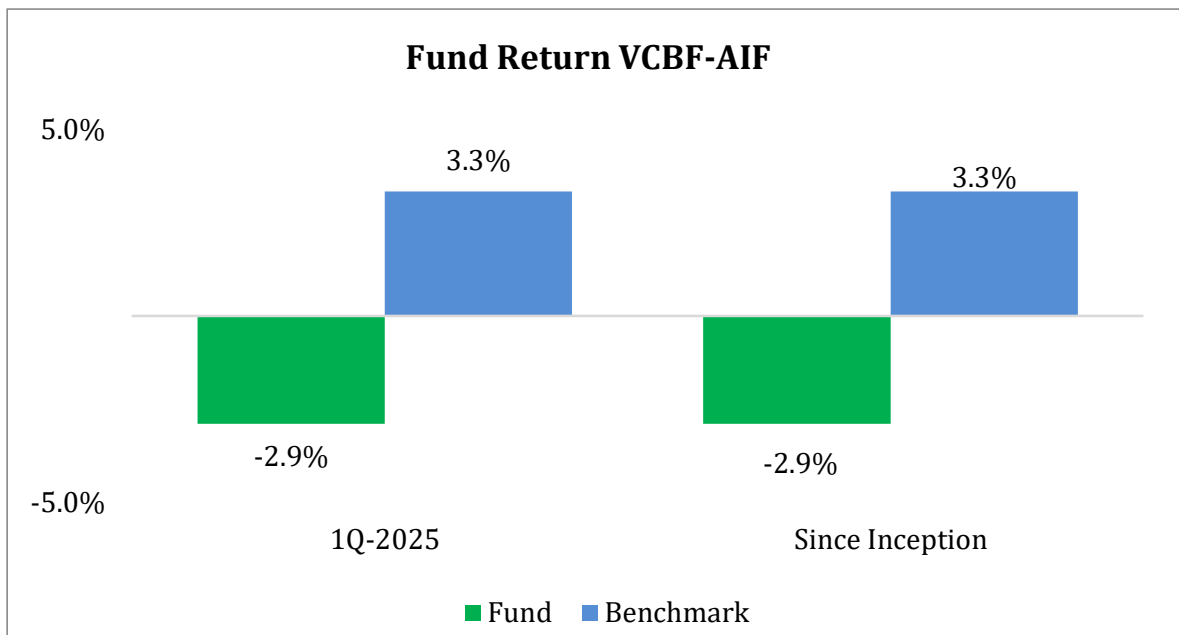
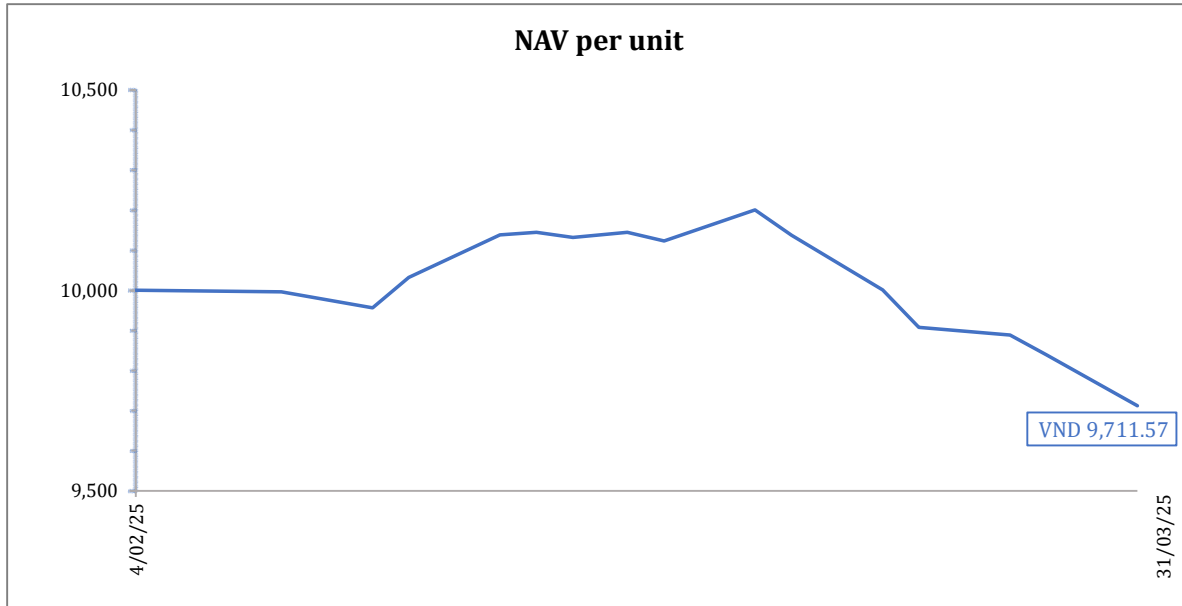


Top 10 Holdings	% NAV	Indicator	Portfolio	Benchmark	+/-
Sai Gon Thuong Tin Commercial JS Bank (STB)	7.2%	Price to Earnings Ratio (P/E)	12.4	15.1	-2.8
Military Commercial JS Bank (MBB)	6.2%	Price to Book Ratio (P/B)	1.7	1.4	0.3
FPT Corp (FPT)	5.9%	Dividend Yield (D/P)	2.5	1.7	0.8
Phu Nhuan Jewelry JSC (PNJ)	5.0%	Price to Cash Flow Ratio (P/CF)	58.7	0.0	58.7
Binh Duong Water - Environment JSC (BWE)	5.0%	EV/EBITDA	12.2	21.4	-9.2
Gemadept Corp (GMD)	4.0%	ROE (LFY)	16.5	11.6	4.9
Mobile World Investment Corp (MWG)	4.0%	Latest FY EPS - 1 Yr Growth	122.3	91.3	30.9
Cotec Construction JSC. (CTD)	3.7%	Total Debt to Common Equity	106.7	132.3	-25.6
Nam Long Investment Corp (NLG)	3.1%	Current Ratio	1.7	1.8	-0.1
Asia Commercial Bank (ACB)	3.0%				

Data as of 31 March 2025

#### 4.6. VCBF Active Income Fund (VCBF-AIF)

##### Performance Summary



##### Notes:

- Return is annually compounded and net of all fees. Return is calculated by VCBF based on NAV provided by the fund administrator, Standard Chartered Bank (Vietnam) Ltd, and has not been verified by any other third parties. Historical returns do not imply or guarantee future performance.
- Benchmark Return = Change in VNMidcap Index (VN70)

VCBF-AIF was incepted on 04 February 2025. Since the inception to the end of 1Q 2025, the Fund recorded a negative return of 2.9% and underperformed the benchmark, VN-Index, by 6.2%.

### Attribution analysis

Attribution Summary VCBF-AIF: 1Q 2025					
Total return (%)			Sector allocation (%)	Stock selection (%)	Total attribution (%)
Portfolio	Benchmark	+/-			
-1.6	3.9	-5.5	-2.9	-2.6	-5.5
Key stock selection	% average weight			% total return	
	Portfolio	Benchmark	+/-	Portfolio	Benchmark
BWE	4.9	0.2	4.7	-5.7	-5.7
CTR	3.4	0.2	3.1	-19.7	-19.7
Key sector allocation	% average weight			% total return	
	Portfolio	Benchmark	+/-	Portfolio	Benchmark
Real estate	4.8	13.0	-8.3	2.7	25.2
Consumer discretionary	11.6	3.4	8.3	-5.5	-3.5

Attribution analysis of the equity portfolio of VCBF-AIF is run against the total return of VN-Index. Since the inception to the end of 1Q 2025, the Fund's equity portfolio recorded a negative return of 1.6%, underperformed the benchmark's return of 3.9%. The negative alpha was due to both sector allocation and stock selection. In terms of stock selection, the negative alpha was mostly due to overweighting BWE and stock of Viettel Construction JSC (HSX: CTR, -19.7%). As regards sector allocation, the negative alpha was mostly due to underweighting the Real Estate sector (+25.2%) and to overweighting the Consumer Discretionary sector (-3.5%). In more detail, the Fund underweighted VIC and VHM in the Real Estate sector while overweighted MWG and PNJ in the Consumer Discretionary sector. Please refer to pages 15 and 16 of this report for discussion on price movement and analysis on BWE, VIC, VHM, MWG and PNJ.

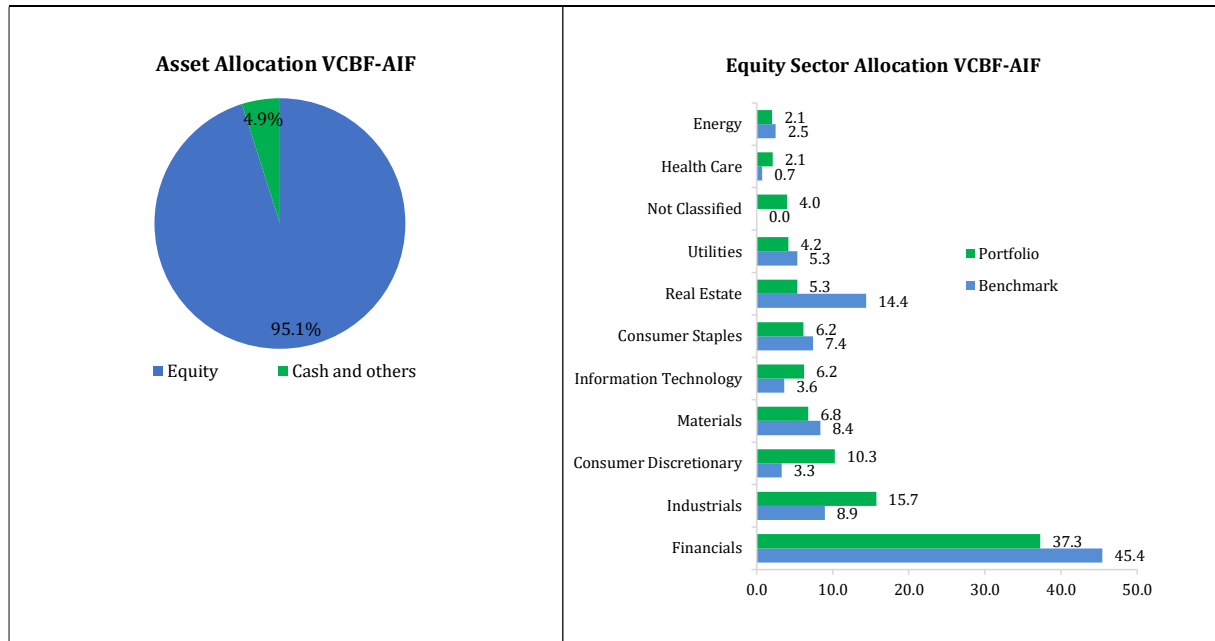
- CTR's share price declined by 19.7% in 1Q 2025, which may be attributed to market concerns over a slower growth outlook for its towerco business, following the company's announcement that it plans to build only 2,000 new 5G base transceiver stations (BTS) in 2025, compared to more than 3,500 BTS built in 2024. According to management, the reduced number of new BTS is due to Viettel Group, CTR's parent company, prioritizing the use of existing BTS infrastructure to accelerate the 5G rollout and reach 20,000 5G locations by 2025, in order to qualify for a government subsidy covering 15% of 5G equipment costs. After achieving this target, the group plans to resume its 5G BTS network expansion. Consequently, CTR is expected to increase its annual new BTS additions to around 3,000, reaffirming its position as the largest towerco in Vietnam.

In terms of absolute return, top contributors to return of the Fund's equity portfolio in the 1Q include MBB, THG and stocks of Phuoc Hoa Rubber JSC (HSX: PHR), Vietnam Technological and Commercial JSB (HSX: TCB) and Mobile World Investments Corporation (HSX: MWG).

Please refer to pages 17 and 24 for updates on MBB and THG.

- PHR's share price rose by 19.0% in 1Q 2025, driven by strong rubber price and improved investor sentiment on future land conversion revenue. In 4Q 2024, PHR posted a revenue of VND626bn (+36% YoY) and NPATMI of VND 233bn (+54% YoY), supported by a 28% YoY increase in average rubber selling price to approximately VND45m per ton. For FY2024, revenue reached VND 1,633bn (+20% YoY), while NPATMI declined 25% YoY to VND469bn, which was mostly due to a sharp reduction in land compensation income. Specifically, PHR recorded only VND56bn in compensation from VSIP III in 2024 compared to VND283bn in 2023. PHR maintains a solid financial position with a net cash balance of VND1,873bn, representing 31% of total assets. 2025 outlook remains positive. The natural rubber price is expected to remain high in 2025 on the back of (1) resilient demand driven from rising sales of electric vehicles, whose tires require more natural rubber and (2) supply shortages due to slowdown in new planting in previous years. In addition, the company is expected to recognize a substantial amount of land compensation revenue if a major industrial park development progresses as planned. As at 10 April 2025, PHR was trading at a P/B ratio of 1.8x.
- TCB's share price posted a strong gain of 11.6% in 1Q 2025, supported by strong business performance and a promising outlook. In 4Q 2024, the bank reported consolidated pre-tax profit (PBT) of VND4.7tn, down 18.6% YoY. However, excluding a substantial one-off charge of VND1.8tn related to the cancellation of its bancassurance contract with Manulife Vietnam, PBT would have grown by 12.7% YoY, primarily driven by robust net interest income growth of 13.2% YoY. For full-year 2024, TCB achieved impressive credit growth of 21.8%. The bank's CASA ratio continued to improve, reaching 37.4%—one of the highest levels in the sector. Asset quality remained strong, with the non-performing loan (NPL) ratio declining slightly to 1.12% at end-2024 (from 1.16% in 2023), while special mention loans decreased to 0.70% (2023: 0.86%). For 2025, TCB sets a high credit growth target of at least 21% and a strong PBT growth target of 14.4% YoY. As at 10 April 2025, TCB's share was trading at a 2025 forward P/B of 1.02x.

## Asset Allocation



Top 10 Holdings	% NAV	Indicator	Portfolio	Benchmark	+/-
Military Commercial JS Bank (MBB)	6.2%	Price to Earnings Ratio (P/E)	11.3	13.0	-1.7
FPT Corp (FPT)	5.9%	Price to Book Ratio (P/B)	1.8	1.7	0.1
Sai Gon Thuong Tin Commercial JS Bank (STB)	4.1%	Dividend Yield (D/P)	2.9	1.8	1.1
Asia Commercial Bank (ACB)	4.1%	Price to Cash Flow Ratio (P/CF)	23.6	34.4	-10.8
Vietnam Dairy Products JSC (VNM)	4.0%	EV/EBITDA	10.5	18.4	-7.9
Phu Nhuan Jewelry JSC (PNJ)	4.0%	ROE (LFY)	18.8	15.2	3.6
Binh Duong Water - Environment JSC (BWE)	4.0%	Latest FY EPS - 1 Yr Growth	89.4	97.3	-8.0
Hoa Phat Group JSC (HPG)	3.9%	Total Debt to Common Equity	120.6	149.1	-28.5
Viettel Construction Joint Stock Corporation (CTR)	3.0%	Current Ratio	1.7	1.3	0.4
Vietnam JS Com Bank For Industry & Trade (CTG)	3.0%				

Data as of 31 March 2025

## 5. MARKET OUTLOOK

The Trump Administration's plan to impose reciprocal tariffs on all goods imported from all trading partners has led to turmoil across global capital markets. The reciprocal tariffs shocked global markets as they are calculated based on trade deficits, not tariff rate differentials as widely expected previously. As the reciprocal tariff rates are substantial, ranging from 11% to 50% for countries with large trade surplus with the US and a baseline tariff of 10% for every country, and the fact that China, the largest trade partner of the US announced a retaliatory tariff of 34%, global recession fear mounts. Tariffs and trade wars will inevitably dampen consumption power and weaken investment sentiment — not only in the US but also globally. Fortunately, the US President, on April 9th, announced 90-day pause on reciprocal tariffs to all partners except for China, although the baseline tariff of 10% maintained. The US is also open for negotiations and emphasizes the aims of the tariff plan are to secure production of critical production such as semiconductor and pharmaceutical domestically, enhance employment and reduce trade deficit.

As Vietnam has substantial trade surplus with the US (US\$104.6bn in 2024<sup>5</sup>), a high reciprocal tariff of 46% was planned to be applied, which would make Vietnam less competitive in attracting export orders and also foreign direct investments against other regional countries such as Indonesia, India, the Philippines etc. whose tariff rates to be applied are 15-29% lower. That would pose significant challenges to FDI inflows, exports, the manufacturing sector, the labor market and then domestic consumption of Vietnam. The Vietnamese government has been taking prompt and constructive actions in response to the US tariff plan including offers to lower tariff on US imports to zero, to buy more US goods to narrow down the trade deficit, to curb origin fraud and to strengthen intellectual property protection.

With that, we expect a positive trade negotiation outcome i.e. not only a lower tariff rate than the current one of 46% but also comparable to the rates to be applied to corresponding goods from competing countries. That said, given the high trade deficit, the probability of a complete elimination of the reciprocal tariff is slim. On April 12th, the US announced a reciprocal tariff exemption for certain electronics products but indicated that a specific tariff may be applied to those items. In 2024, Vietnam exported electronics products worth US\$36.2bn to the US, representing 28.6% of Vietnam's total electronics exports and 30.3% of its total exports to the US<sup>6</sup>. Taking advantage of 90-day pause of reciprocal tariffs and temporary exclusions of certain electronics products from reciprocal tariffs, exports activities are expected to get more active in 2Q 2025, but investment pace of the private sector, including domestic and foreign, might slow down as companies would adopt wait and see approach.

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<sup>5</sup> gso.gov.vn, 06.01.2025: Socio-economic situation report in 4Q and 2024

<sup>6</sup> International Trade Center, Vietnam Customs

In all scenarios, Vietnam will need to rely more heavily on alternative growth drivers, such as public investment and the tourism industry, in the short term, while working to reduce its long-term reliance on the US market for exports. To recall, the Government has set an ambitious disbursement budget for 2025 of VND825.5tn, 21% higher than that of 2024, while the tourism sector has set an ambitious target to welcome 22-23 million inbound tourists<sup>7</sup> in this year, or a YoY growth of from 25.0% to 30.7%. Export-oriented companies also need to diversify their target markets, leveraging the 17 free-trade agreements executed with global trade partners.

The stock market faced significant selling pressure and volatility since the reciprocal tariff plan was announced on April 2nd. Market valuation, in terms of trailing P/E ratio, declined sharply to the most recent bottom of 10.6x on April 9th before rebounded to 11.9x on April 16th, still considerably lower than the median in the last 10 years of 14.4x<sup>8</sup>. Corporate earnings would be pressured by the tariff risk and weakening consumption and investment sentiment globally. The magnitudes of impact however are dependent on outcome of trade negotiations between Vietnam's Government and Trump Administration and would vary across companies.

In light of that and as stock prices declined across the board, we see a strong divergence in risk-adjusted returns across stocks. Specifically, companies whose businesses are highly exposed to the US market and dependent on trade flow and FDI investments have less attractive risk-adjusted return. In times of high volatility and uncertainty, we remain consistent with our investment approach whereby we keep investing in companies that have more certain and resilient earnings, strong competitive positioning and healthy balance sheets. We believe holding diversified portfolios of strong fundamental companies at attractive valuations would reward our investors tremendously and the current market correction offers compelling opportunities for patient, long-term investors.

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<sup>7</sup> bvhttdl.gov.vn, 26.12.2024: Vietnam tourism strives to welcome 22-23 million international visitors by 2025

<sup>8</sup> LSEG Workspace, 16.04.2025

**ACRONYMS, TICKERS and ABBREVIATIONS**

AGM	Annual General Meeting	P/E	Price-Earnings ratio
bn	Billion (thousands of million)	PMI	Purchasing Managers Index
BoM	Board of Management of VCBF	PPP	Public-Private Partnership
bps	basis points (hundredths of a percent)	pts	points
C-19 or Covid-19	Covid-19 or coronavirus disease (due to severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) virus)	P/B	Price-Book ratio
CAGR	Compound Annual Growth Rate	PBT	Profit Before Tax
CPI	Consumer Price Index	NPAT	Net Profit After Tax
EBITDA	Earnings before interest, taxes, and amortization	NII	Net Interest Income
ETF	Exchange-Traded Fund	NIM	Net Interest Margin
EU	European Union	NPLs	Non-performing Loans
EV	Enterprise value	Q	Quarter
EVFTA	EU Vietnam Free Trade Agreement	qoq	quarter-on-quarter
FDI	Foreign Direct Investment	SBV	State Bank of Vietnam
Fed	The Federal Reserve System of the United State of America	SOBs	State-owned Banks
G-Bonds	Government Bonds (of Vietnam)	S&P 500	Standard & Poor's 500 Index
GDP	Gross Domestic Product	SSC	State Securities Commission
GSO	General Statistics Office	TTM	Trailing Twelve Month
GICS	Global Industry Classification Standard	US/USA	United States of America
H	Half (of year)	trn/tn	Trillion (thousands of billions)
HCMC	Ho Chi Minh City	VCBF	Vietcombank Fund Management
HNX	Hanoi Stock Exchange	VN100	HSX 100 Index
HSX	Ho Chi Minh City Stock Exchange	VN70	HSX 70 Index
IMF	International Monetary Fund	VNI or VN-Index	VN-Index
IT	Information Technology	YoY	year-on-year
LLR	Loan Loss Reserve	YR	year
m	million	Ytd/YTD/ytd	year to date
M or mth	month-on-month		

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