

SSI SUSTAINABLE COMPETITIVE ADVANTAGE FUND (SSI-SCA)

March, 2025

FUND INFORMATION

Name of the Fund	SSI Sustainable Competitive Advantage Fund
Fund code	SSI-SCA
Type	Open-Ended Fund
Inception date	26/09/2014
Fund Management Company	SSI Asset Management Co., Ltd https://www.ssiam.com.vn
Custodian & Supervisory Bank	Standard Chartered Bank (Vietnam)
Transfer Agent	Viet Nam Securities Depository And Clearing Corporation (VSDC)
Distributor	SSIAM, SSI, VCBS, BVSC, MBS, HSC, FINCO, MAS, TVS
Redemption gate per trading period	10%/ Net Asset Value
Minimum subscription amount	VND 10,000 (ten thousand dong)
Fund size	VND 850.8 billion VND (~ USD 33.84 million)

INVESTMENT OBJECTIVES & STRATEGY

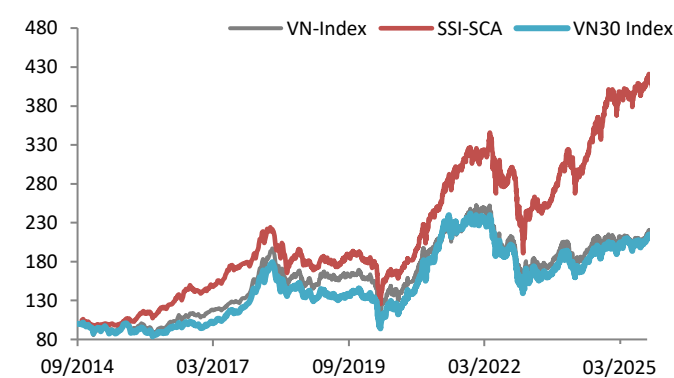
The Fund pursues long-term capital appreciation and regular return through investment in companies with sustainable competitive advantages and fixed income assets.

The Fund shall apply active investment strategy, focusing on listed securities of companies with sustainable competitive advantages, high market share, good corporate governance, healthy financial conditions, good capabilities of operation in disadvantageous market conditions and attractive valuation compared with the potential growth in the future of the company.

The Fund shall also invest in fixed income securities with high credit rating to preserve capital and bring stable income for the Fund.

FUND PERFORMANCE

Period	Date	1 month	3 months	YTD	Since inception
Date	31/03/2025	28/02/2025	31/12/2024	31/12/2024	
NAV/unit	40,359.20	-2.76%	-1.12%	-1.12%	303.59%
VN-Index	1,306.86	0.11%	3.16%	3.16%	116.02%
VN30-Index	1,363.88	0.55%	1.42%	1.42%	109.95%



FEES

Subscription Fee	
From VND 1 million to VND 1 billion	0.75%
> VND 1 billion to VND 10 billion	0.50%
> VND 10 billion	0.25%
Redemption Fee	
Holding period within 12 months	1.25%
From more than 12 months to 24 months	0.75%
More than 24 months	Free
Switching fee	Free
Transfer fee	Free
Subscription Fee applied for flexible SIP (SIPLH)	Free
Fee applied for exiting systematic investment plan (SIP) before reaching the minimum investment period	0.75%
Redemption fee applied for flexible SIP	
Holding period within 12 months	2.00%
From more than 12 months to 24 months	1.25%
More than 24 months	Free

FUND MANAGERS

Nguyen Ngoc Anh – CEO

Email: anhnn@ssi.com.vn

Nguyen Xuan Quynh – Portfolio Management

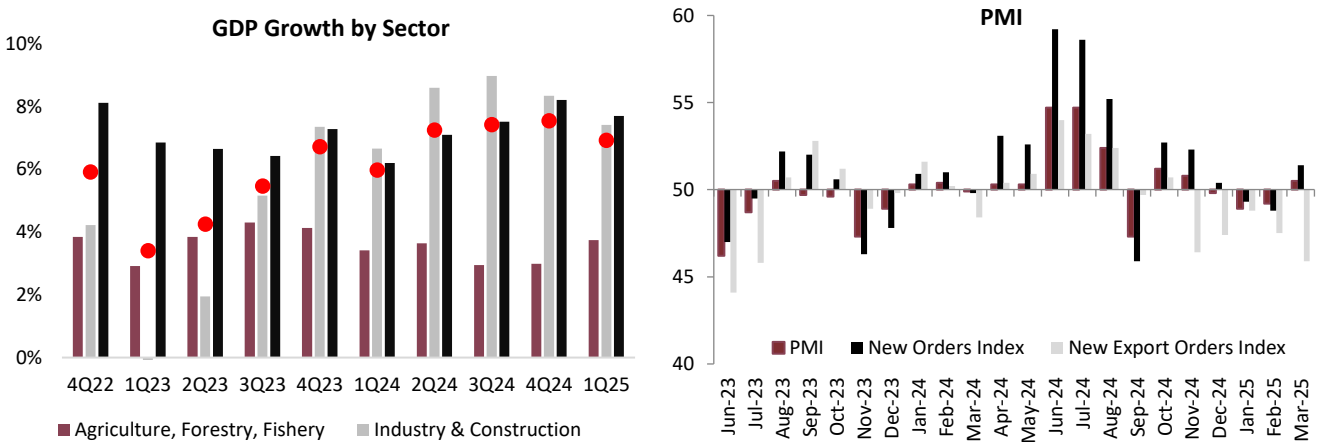
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MACRO UPDATES – MARCH 2025

Economic growth accelerated in 1Q25

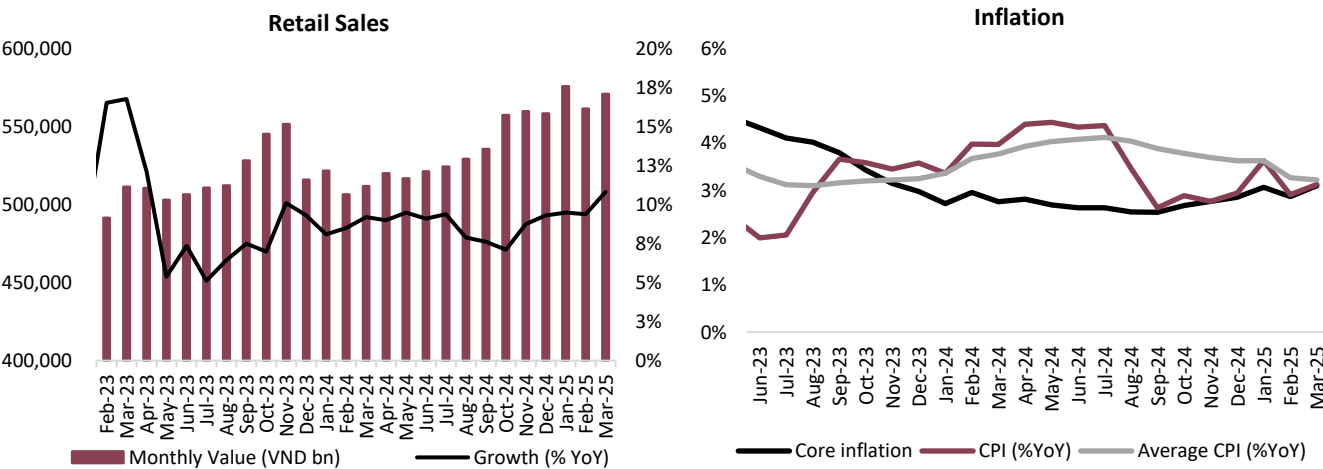
Vietnam's GDP grew by 6.9% YoY in the first quarter of 2025, marking the highest growth rate in the past five years and reinforcing the acceleration of the economy. The faster growth pace was primarily driven by stronger manufacturing activity (+7.4% YoY) and resilient services (+7.7% YoY). Exports maintained double-digit growth at 11% YoY and FDI disbursement remained solid at 7.2% YTD in 1Q25. On the expenditure front, gross capital formation increased by 7.2% YoY in the first quarter of 2025, higher than last year of 4.7% YoY and final consumption also up 7.5% YoY. With expectations of faster public investment disbursement in the coming time, and policy stimulus to enhance domestic consumption, we maintain our optimistic outlook for economic growth by year-end.

The manufacturing sector continued to strengthen, with the index of industrial production (IIP) expanding by 7.8% YoY in 1Q25 (1Q24: 5.9% YoY), driven by outstanding growth in selected sectors such as motor vehicles (+36% YoY), textile and garment (+14.6% YoY), furniture (+13% YoY) and machinery and equipment repair (+12.8% YoY). Exports experienced tremendous growth in March (+14.4% YoY and +24% MoM), bringing the total trade surplus of USD 3.2bn by the end of the quarter (1Q24: USD 7.8bn). We believe the strong performance relates to export’s front-loading orders before Trump’s tariffs being announced on April 2nd. The manufacturing PMI returned to growth after 4 months to reach 50.5, signaling an improvement in business conditions at the end of first quarter. A renewed increase in new orders was also seen amid improvement in customer demand, but ongoing weakness in international demand continued to impact new export orders. External risks such as weakening global demand and tariffs remain key challenges for the sector to achieve the 9.5% target for the year.



Consumption strengthened in March, with retail sales increasing by 10.8% YoY in March or 9.9% in 1Q25. Real retail sales growth reached 7.5% YoY in 1Q25, highest growth since 3Q23. Service consumption growth (14.4% YoY) still outpaces goods consumption (9% YoY) in 1Q25. This boost in consumption was largely attributed to an increase in international tourists. International tourist arrivals approached 6 mn tourists (+30% YoY), far exceeding the pre-pandemic peak of 17% and highest quarterly level ever seen. Tourist arrivals from China maintained solid recovery, reaching 87% of the pre-pandemic peak level in 4Q19.

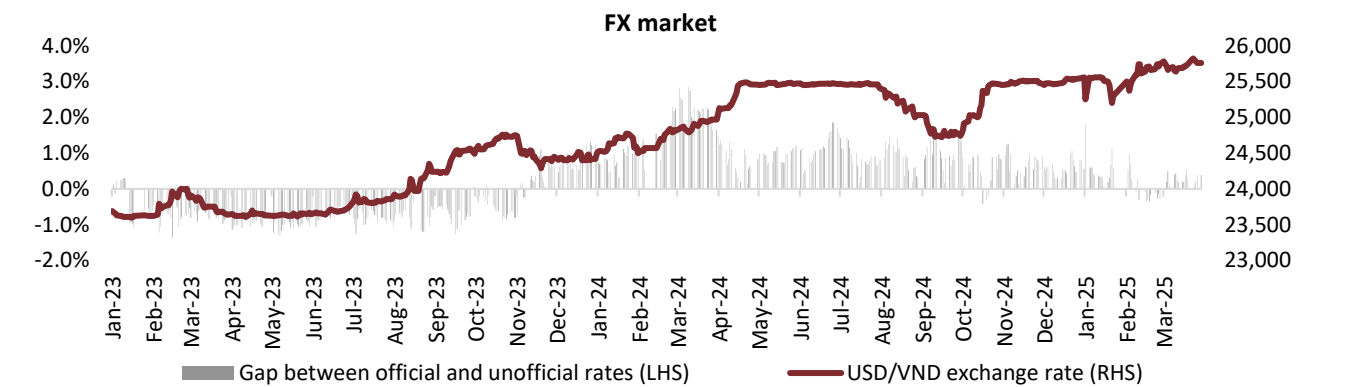
In March, headline inflation decreased by 0.03% compared to the previous month, in line with our expectations. Overall, in the first quarter of 2025, the country’s headline inflation rate stood at 3.2% YoY and core inflation at 3%, well below the Government’s target. The decline in inflationary pressure in March was mainly attributed to the food and foodstuff (-0.05% MoM), which accounts for one-third of the CPI basket, despite rising hog prices (+3.5% MoM). Transportation sub-index also declined -1.4% MoM mainly due to decline in gasoline prices (-3.6% MoM) by domestic adjustments and lower travel demand after the Lunar New Year.



MACRO UPDATES – MARCH 2025

In the FX market, the Dong barely depreciated against the US dollar in the month (0.1% MoM) despite the DXY index dropped significantly in March to 5-month low at 104pts. This is due to (i) rising USD demand from the State Treasury (approximately \$1 billion) and corporate bond repayment, (ii) weaker trade balance, (iii) SBV’s effort to maintain ample VND liquidity to spur credit growth and (iv) speculation surrounding gold smuggling for arbitrage driving USD demand. The USD/VND depreciated 0.8% YTD. On a recent note, Trump’s reciprocal tariffs have been announced and trading partners including Vietnam have started negotiations. We have observed an even weaker DXY in response to the announcement, with market consensus now expecting a weaker US economy should the plan follow through. As a result, the low level of DXY will face less pressure on VND in the coming months.

In March, the State Bank of Vietnam (SBV) ceased the issuance of SBV bills while maintaining liquidity support through collateralised lending via the open market operations (OMO). Notably, the extension of OMO loan terms while keeping interest rates unchanged reflects the readiness to provide liquidity to the system when needed. The SBV shifted from a net withdrawal position in the previous month to a net injection position in March, with a total net injection of VND 36 tn. Meanwhile, deposit interest rates declined broadly since late February, with a common decrease of 10-20 bps, in line with the SBV directives.



The VN-Index remained resilient in the month of March with a 0.1% MoM and 3.2% YTD increase, despite continued foreign net selling. Trading turnover continued to surge for the second consecutive month with the average daily trading value up 27.3% MoM to USD 0.9 bn, driven by strong domestic capital and the rallies led by VIC/VHM. Key catalysts remain intact, including the positive change in administrative and economic reforms, KRX system rollout in May and a potential FTSE upgrade in September. The real estate sector stood out as the sole gainer rising 15.4% in March, driven mainly by sharp gain in VIC (+41%) and VHM (+24.5%). Meanwhile, the technology sector (-13.4%), energy (-8%) and communication services (-6.6%) were the month’s top laggards. However, foreign investors remained net sellers with a total net sell-off of USD 0.43 bn, mostly divesting from FPT (USD 154 mn), TPB (USD 62 mn) and VNM (USD 31 mn). ETFs also experienced outflows of around USD 95mn in March.

The TTM P/E ratio of the VN-Index is 13x, substantially lower than its 5-year average P/E of around 17x. In the short-term, although selling pressure could increase due to the negative surprise of reciprocal tariffs, market sentiment could be supported by expansionary fiscal and monetary measures by the government to enhance the strength of the domestic economy. We anticipate gradual stabilization following Vietnam’s pro-activeness in negotiations with Trump’s administration. For statistical purposes, over the past 10 years, the VN-Index has been corrected by more than 4% on 25 occasions. Despite short-term momentum, the market’s recovery rates after 1 month and 3 months have been relatively attractive, standing at 70% for the 1-month period and 75% for the 3-month period.

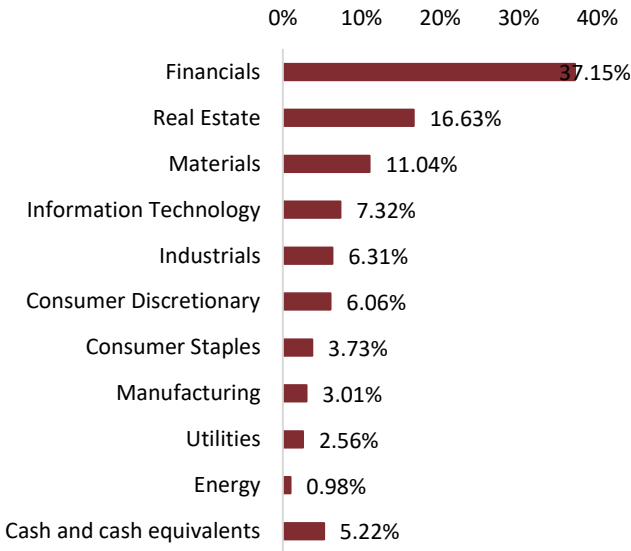
As of 31 Mar 2025	1M	3M	YTD	2024	VNI End Weight	TTM P/E	Current P/B	ROE	BETA
Communication Services	-6.6%	-2.0%	-2.0%	43.4%	0.1%	18.4	1.4	8.1	0.6
Consumer Discretionary	-3.9%	-6.8%	-6.8%	29.5%	3.3%	28.3	2.5	12.6	1.0
Consumer Staples	-2.7%	-4.1%	-4.1%	-2.0%	7.4%	23.8	2.5	14.7	0.9
Energy	-8.3%	-4.9%	-4.9%	3.2%	2.5%	27.5	1.2	4.6	1.0
Financials	-0.1%	5.0%	5.0%	18.6%	45.4%	9.9	1.6	17.2	1.0
Health Care	-3.3%	-3.8%	-3.8%	15.4%	0.7%	18.6	2.2	12.3	0.6
Industrials	-1.6%	2.9%	2.9%	10.0%	8.9%	15.4	1.9	9.7	1.0
Information Technology	-13.4%	-20.0%	-20.0%	73.4%	3.6%	22.4	5.2	25.2	1.0
Materials	-4.7%	0.6%	0.6%	14.5%	8.4%	18.0	1.6	9.5	1.2
Real Estate	15.4%	18.6%	18.6%	-5.9%	14.4%	16.1	2.2	8.7	1.0
Utilities	-1.0%	-0.3%	-0.3%	-2.7%	5.3%	19.2	2.1	10.0	0.7
VNIndex	0.1%	3.1%	3.1%	12.1%	100%	13.0	1.7	13.4	1.0
VN30 Index	0.6%	1.4%	1.4%	18.9%		10.3	1.6	17.1	1.0

FUND PERFORMANCE COMMENTARY

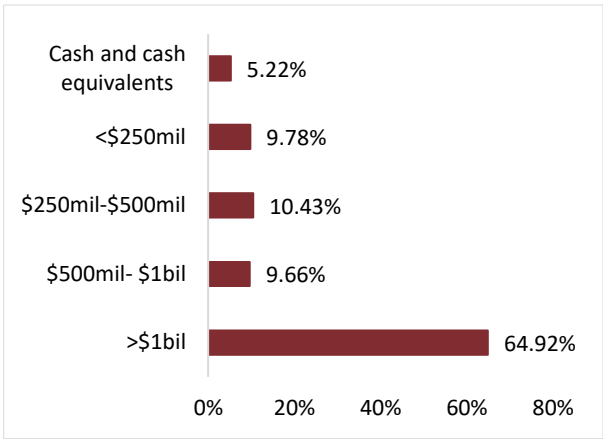
Fund statistics (12-months)

	SSI – SCA	VN-Index
Volatility (Std)	13.12%	12.72%
Sharpe Ratio	0.73%	0.00%
P/E Ratio TTM	10.17x	14.54x
P/B Ratio Current	1.54x	1.68x
Beta	0.97	1.00

Fund Allocation by Sector (% NAV)



Fund Investment Allocation by Market Cap (% NAV)



TOP HOLDINGS (% NAV)

Ticker	Company Name	Sector	% NAV	Mkt Cap	P/E	Current P/B	ROE (%)
				(USD m)			
ACB	Asia Commercial Bank	Financials	8.02	4,542.66	6.92	1.39	21.75
FPT	FPT Corp	Information Technology	7.32	6,962.62	22.53	5.97	28.69
CTG	VietinBank	Financials	6.95	8,706.68	8.78	1.51	18.60
TCB	Vietnam Technological & Commercial Joint	Financials	6.05	7,599.59	9.01	1.34	15.61
HPG	Hoa Phat Group JSC	Materials	5.36	6,692.73	14.23	1.50	11.07

FUND PERFORMANCE COMMENTARY

The SCA fund decreased by 2.76% in March 2025, compared to +0.11% for the VN-Index. In 1Q2025, the SCA fund decreased by 1.12% compared to +3.16% for the VN-Index. At the end of Mar 2025, our top five holdings were ACB (8.0%), FPT (7.3%), CTG (6.9%), TCB (6.0%), and HPG (5.3%).

The top contributors to the fund's total return in Mar 2025 were:

MBB (+4.8%), TCB (+5.4%):

- MBB's market price outperformed the stock market in February, driven by positive earnings growth in 2025, supported by accelerated credit growth and a reduction in provisions, and the expected recovery of renewable energy segment.
- TCB's market price performance was backed by (1) the recovery of the real estate market in the Southern region, which will drive strong credit growth for TCB, (2) TCB's strong positioning to protect NIM amid a competitive environment, thanks to its top-tier CASA ratio, and (3) the upcoming IPO of TCBS and a private placement deal, which could unlock value for shareholders.

DPR (+2.6%): DPR price outperformed in Feb, supported by (1) the strong global rubber price outlook for 2025, (2) Vietnam's positive FDI attraction, (3) the acceleration in infrastructure development, and (4) more efficient licensing process for industrial park project.

DISCLAIMER

Investors should carefully read the Prospectus, Fund Charter and relevant documents before making investment decisions and pay attention to fees when trading fund certificates.

Fund certificates are not certificates of deposits, negotiable instruments or valuable papers as prescribed in the banking sector, fixed income assets or guaranteed investment income assets.

The price of fund certificates may fluctuate according to market movements and investors may incur losses on their initial investment given unfavorable market conditions. This document should not be used for the purpose of accounting and tax recording or to make investment decisions. Please note that the past performance of investments is not necessarily indicative of future performance. The NAV per unit and the Fund’s income can increase or decrease and could not be guaranteed by SSIAM. Investors should do their own research and/or consult experts’ advice to make appropriate investment decisions.

VLGF is an absolute return fund and therefore, does not have any benchmark. VN-Index and VN30 performance in the factsheet is only used as a point of reference to provide information for investors.

AWARDS



ALPHA SOUTHEAST ASIA	THE ASSET	ASIANINVESTOR	ASIA ASSET MANAGEMENT
<ul style="list-style-type: none">• “Best Overall Asset & Fund Manager” in 2020, 2021, 2022, 2023, 2024.• “Best Fund Manager for Insurance, ILP Mandates & Private Retirement Schemes” in 2020, 2021, 2023, 2024.• “Best Fund Manager (Balanced Fund)” in 2021• "Best online & Mobile Platform (Asset Manager)" in 2024	<ul style="list-style-type: none">• “Asset Management Company of the Year - Vietnam” in 2012, 2014, 2021, 2022, 2023, 2024.• “Fund Management Company of the Year (Onshore)” in 2015, 2016, 2017, 2018• “ETF Provider of the Year” in 2021	<ul style="list-style-type: none">• “Best Asset Management Company in Vietnam” in 2010• “Best Asset Management Company” in 2015, 2016, 2017, 2018• "Best Business Development" in 2022• “Asset Management Market Awards – Vietnam” in 2024	<ul style="list-style-type: none">• “Best Fund House in Vietnam” in 2012, 2013, 2016• “CEO of the Year” for Ms. Le Thi Le Hang in 2012, 2013, 2014, 2015, 2016, 2020, 2022• “CIO of the Year” in 2013, 2014, 2015• “Fund Launch of the Year” in 2020

CONTACT INFORMATION

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