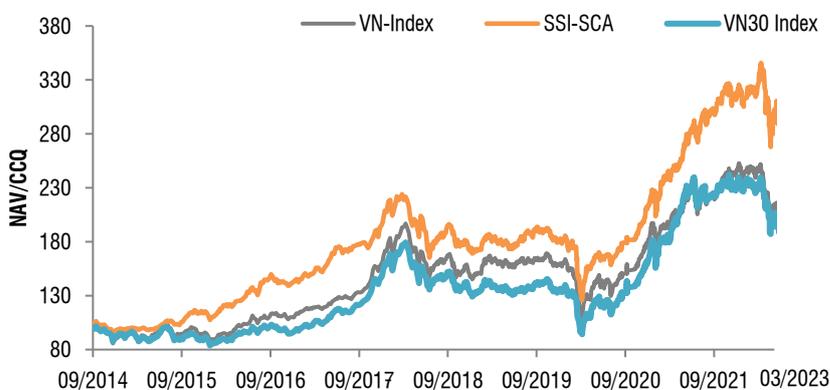


FACT SHEET AS OF 31 MARCH 2023

Name of the Fund	SSI Sustainable Competitive Advantage Fund
Fund code	SSI-SCA
Nature of the Fund	Open-Ended Fund
Inception date	26/09/2014
Fund size	VND437.75 billion (~USD18.15 million) (As of 31 March 2023)
Fund operating period	Unlimited
Fund Management Company	SSI Asset Management Co., Ltd https://www.ssiam.com.vn
Supervisory Bank	Standard Chartered Bank (Vietnam)
Transfer Agent	Vietnam Securities Depository Centre (VSD)
Distributors	SSIAM, SSI, BVSC, VCBS, ACBS, VNDIRECT, MBS, HSC, VGS
Redemption gate per trading period	10% / Net Asset Value
Minimum subscription amount	VND10,000 (ten thousand dong)
Targeted Return	13% - 15% / year

FUND PERFORMANCE



	NAV/ Unit (VND)	Performance (%)							
		2018	2019	2020	2021	2022	1M	YTD	Since Inception
SSI-SCA	24,877.81	-12.1	3.9	18.6	49.9	-26.1	1.3	4.5	148.8
VN-Index		-9.3	7.7	14.9	35.7	-32.8	3.9	5.7	76.0

Data as of 31/03/2023, calculated in VND; since inception date 26/09/2014

INVESTMENT OBJECTIVES

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.

FEES

Subscription Fee (depends on the subscription amount)

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 (depends on the holding period)

Holding period below 12 months	1.25%
Holding period 12 - 24 months	0.75%
Holding period above 24 months	Free

Switching fee Free

Transfer fee Free

Management Fee 1.75%

PORTFOLIO MANAGER BIO

Mr. Bui Van Tot, CFA

- Joined SSIAM in 2015. Supported the offshore SIF fund before being promoted to PM of the SCA fund in 2020.
- Previously worked as senior research analyst of FPT Securities and Head of Finance Department of AIESEC Vietnam.
- BA in International Business from HCM Foreign Trade University.

MACRO & MARKET COMMENTARY

Tourism revival not yet enough to offset weak export manufacturing

Weak manufacturing eroded GDP growth. Vietnam reported 3.3% estimated GDP growth for Q1/23 as manufacturing declined. The agriculture, forestry and fishery sector reported 2.5% growth, which was well below recent levels in the range of 3.5% but was much better than the -0.4% contraction reported by the industry and construction sector. The PMI reflected manufacturing declines and fell to 47.7 in March. It has been below the expansionary threshold of 50.0 for three of the past four months. The service sector was Vietnam’s savior, growing 6.8% and contributing 96% of GDP growth.

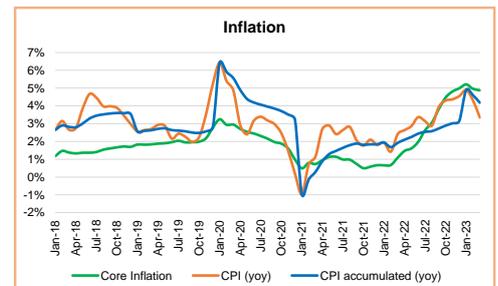
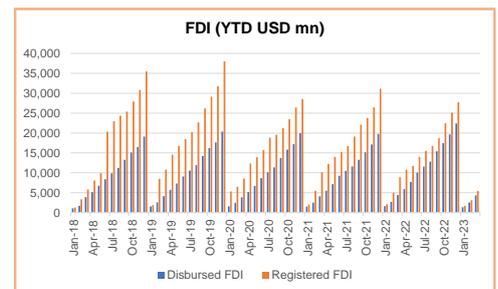
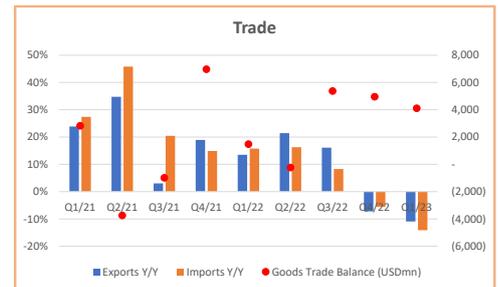
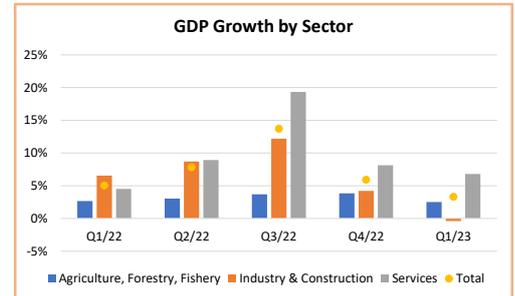
Tourism contributed to retail sales growth. Nominal retail sales grew 14.5% Y/Y in March. This was a surprisingly strong result because listed companies had reported disappointing revenue numbers during the month. However, revenue from accommodation and catering services increased 28.4% Y/Y in Q1 and tourism sales were reported to increase 120% Y/Y. These results give hope that tourism will support GDP growth for the remainder of 2023, which will be needed while manufacturing remains weak. Approximately 900,000 tourists arrived in Vietnam each month of Q1, bringing the total to 2.7 million arrivals in Q1 vs 3.6 million for the full year 2022. Furthermore, there is good reason to expect tourist arrivals to accelerate. The Chinese government did not allow its citizens to visit Vietnam until March 15. Chinese tourists made up 8% of March arrivals vs 28% from S. Korea. But Chinese tourists made up 32% of the 18 million arrivals in 2019. A return to that level would provide a much-needed boost to the economy.

Vietnam recorded a large trade surplus despite falling exports. Exports grew 13.5% M/M in March but declined -4.1% Y/Y. Furthermore, Q1 exports were down -11% Y/Y driven by a more than -20% decline in exports to the US, Vietnam’s largest export market. US retail inventory levels remain elevated, which means its demand for imports of mobile phones, electronics, etc should remain weak for now. Q1 imports fell -14% Y/Y, more than exports, so that Vietnam recorded a USD4.1 billion trade surplus for the quarter vs USD1.5 billion for Q1/22. Note that the increase in the trade surplus added approximately 0.6% to GDP growth despite weakness in manufacturing.

FDI was strong amid global uncertainty. Despite an increasingly risky global environment in the wake of bank crises in the US and Europe, investors disbursed USD4.3bn of FDI in 3M/2023. This was 2% below 3M/22 but was not bad because Vietnam received a record high USD22.4bn of FDI last year. Vietnam also saw strong investment into its banking sector as SMBC invested USD1.5bn for a 15% stake of VPBank. Registered FDI declined -39% from 3M/22 due in large part to a lack of energy sector projects as the nation continues to wait for passage of the long-over-due national power development plan.

Falling oil prices helped push inflation down for now. Inflation (CPI Y/Y) fell to 3.35% in March from 4.31% in February and a peak of 4.89% in January and is now well within targeted limits. However, core inflation, which excludes oil and food, was virtually unchanged from February at 4.88%. The main difference was that transportation CPI (10% of the CPI basket) fell -4.9% Y/Y in March as global oil prices plummeted toward USD70 per barrel. The recent announcement by OPEC nations to restrict output therefore creates significant risk of higher headline inflation in the coming months if oil prices rise.

Strong inflows supported the VND as the dollar fell. The high trade surplus, large disbursed FDI and net foreign inflows to the stock market all supported the VND, which strengthened 1.2% vs the USD in March and 0.7% YTD. This strength will give the SBV room to purchase additional reserves, which should help push down bond yields. The VND performance was in line with regional currencies. The CNY, THB, IDR and PHP all strengthened as the DXY US dollar index fell 1.3% in March. The DXY should continue to drop as the Fed reaches the end of its tightening cycle.



(As of 31 Mar 2023)	1M Δ	3M Δ	1YR Δ	VNI End Weight	TTM P/E	Current P/B	ROE
Communication Services	6.5%	-7.0%	-56.3%	0.1%	9.9	0.6	7.7
Consumer Discretionary	-1.6%	-7.2%	-37.0%	3.0%	12.8	2.0	16.8
Consumer Staples	-1.7%	-3.2%	-15.7%	11.4%	22.8	3.2	14.6
Energy	-3.1%	10.4%	-31.8%	1.6%	28.9	1.4	4.8
Financials	4.2%	11.2%	-16.9%	41.2%	8.7	1.6	19.7
Health Care	-3.0%	1.1%	-19.7%	0.7%	12.7	1.9	16.6
Industrials	3.4%	2.1%	-44.1%	7.7%	51.7	1.5	7.3
Information Technology	-2.1%	1.9%	-14.9%	2.4%	15.7	3.7	25.7
Materials	3.5%	7.9%	-47.2%	7.1%	10.2	1.2	11.7
Real Estate	6.9%	0.1%	-42.4%	17.2%	13.9	1.5	11.6
Utilities	0.7%	4.5%	-8.3%	7.5%	12.0	2.1	18.5
Not Classified	-3.2%	-7.7%	-55.1%	0.1%	7.9	0.5	2.3
VN-Index	3.9%	5.0%	-28.2%	100.0%	13.8	1.7	15.4
VN30	4.6%	5.7%	-29.3%		9.8	1.6	17.9

Falling interest rates, supportive regulation drove market gains

Real estate stocks led the VN-Index higher. The VN-Index rose 3.9% in March and 5.7% YTD. Real estate stocks recorded the strongest gains due to supportive action from the government and expectations of asset sales by developers. Financials achieved solid gains due to falling interest rates, bond market reforms and SMBC's investment in VPBank.

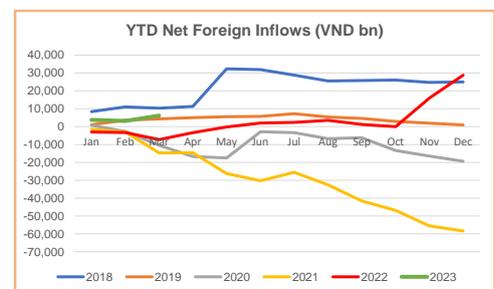
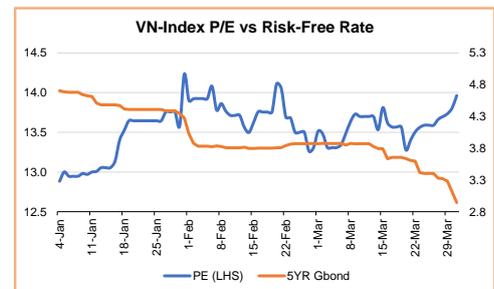
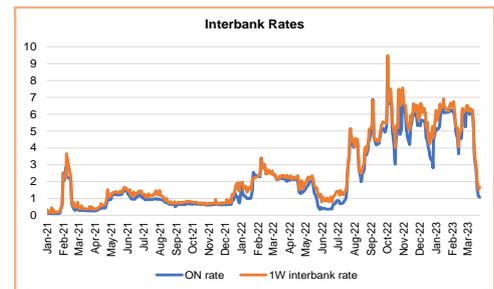
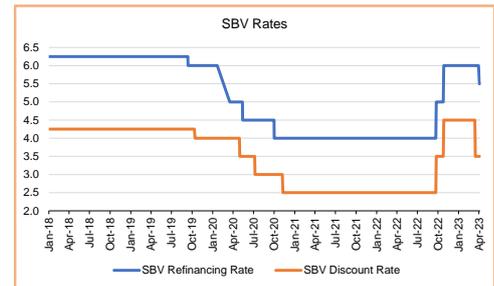
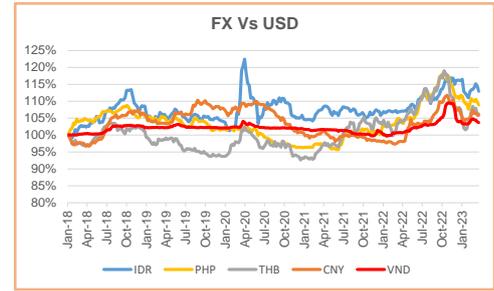
The Government took several steps to support the bond market and real estate sector. Key initiatives included 1) Decree 08 which provides mechanisms for corporate bond restructurings and delays implementation of key provisions of Decree 65; and 2) a draft amendment to Circular 16, which among other things, allows banks to repurchase bonds within the first 12 months of issuance. Both measures were well received by markets. After several months of low activity, more than USD1bn of corporate bonds were issued following the announcement of Decree 08.

The SBV moved to lower interest rates and strengthen liquidity. Early in the month, the SBV urged state-owned banks to reduce 6 to 12 month deposit rates by 0.2 to 0.5% per year to create room for lower lending rates. Then, on March 15 the SBV reduced several policy rates by 50 or 100 basis points, including the discount rate, which fell from 4.5% to 3.5%. Finally, on April 3, the SBV lowered its refinancing rate as well as caps on deposit rates and short-term lending rates to selective sectors. Announcements from the SBV cited falling inflation as the key motivation for these cuts. It seems likely that the SBV was also moving to support growth ahead of what turned out to be a very weak GDP announcement and to ensure liquidity for the banking system following the events of Silicon Valley Bank and others in the US. However, unlike Silicon Valley Bank, which had 55% of its assets invested in US treasuries, Vietnam banks on average invest only 6% of their assets in Vietnam government bonds and were not as severely impacted by falling bond valuations.

Bank sector liquidity improved. SBV moves appeared to be effective as interbank rates tightened in March. The overnight and one-week rates both fell toward 1% after spiking well above 5% during Q4/2022.

Falling G-bond yields support higher equity valuations. Following from the SBV moves and the stable currency, secondary market government bond yields fell across the curve. The 5-yr bond fell 93 basis points to close at 2.95% and seems to be continuing a downward trend. Yields are still 80 to 150 basis points above year-ago levels though, especially at the short end of the curve. Correlation between yields and equity valuations has been well established over the past several years.

ETFs led net foreign inflows. Across Vietnam's three exchanges, Foreign investors net bought USD129mn in March and USD297mn YTD. Flows got a boost from the Fubon Vietnam ETF, which announced and began implementing at USD160mn fundraising.



Sources: Bloomberg & Fiiipro

FUND PERFORMANCE COMMENTARY

The SCA fund rose 1.34% in March compared to 3.9% for the VN-Index. Most of stocks in our portfolio had positive returns in the month. Top performers were CTD (+29.9%), STB (+10.3%) and TCB (+7.0%). Top laggards were NTC (-4.0%), MWG (-3.6%), and TDM (-1.9%). In 1Q2023, SCA posted 4.5% compared to 5.7% of VN-Index. This result is still encouraging in the context that we keep outperforming VN-Index significantly in the last 3 years.

SCA's underperformance in March was mainly due to our top-weighted sectors, information technology and consumer discretionary, performing not well during the month. We were also underweight real estate, which outperformed due to recent policy support and expectations on more relaxation of monetary policy.

We are currently overweight on information technology, consumer discretionary and industrials while underweighting financials, real estate and consumer staples. There are some improvements in the real estate market recently, but we keep our view that there are still lot of challenges for this sector in short and medium-term given this high-rate environment, sluggish demand and upcoming bond maturity.

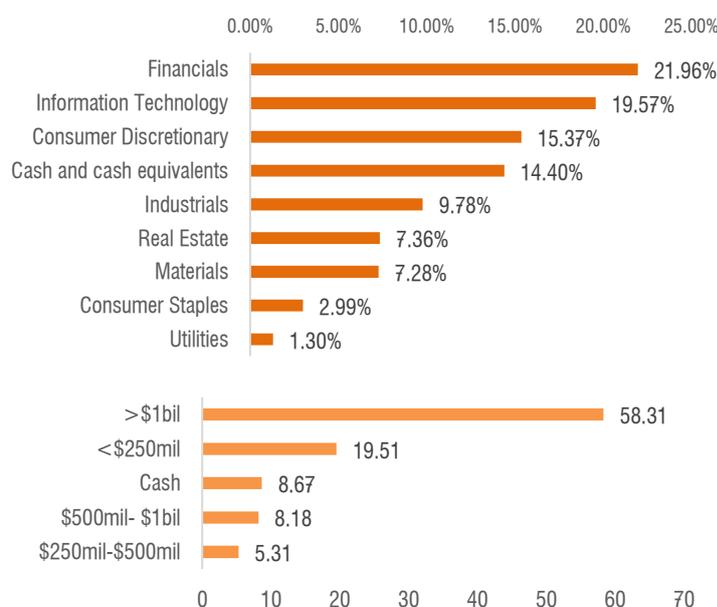
Regarding our top weights, we have just attended AGM of FPT and HPG. For FPT, key points are (i) revenue and PBT +18% YoY in Q1 2023; (ii) digital transformation revenue +30% YoY in Q1 2023 and targets 35%–40% growth for 2023; (iii) management sees the core technology area as crucial, with growth of 30% projected as FPT climbs the value ladder; (iv) annual M&A budget of USD30mn–50mn, focusing on consulting firms in Asia, Europe; and (v) plans to include computer science in K–12 curriculum. Regarding HPG, due to sluggish demand and input costs rising faster than ASPs, 2M23 earnings were negative. However, 2M23 losses were lower than the company had anticipated. On improved ASPs, Mar-23 profits should increase m/m. With a total capex of VND75tn, funded by 50% bank loans and 50% internal resources, DQSC2 represents HPG's major investment during the following two to three years. In 1Q25, DQSC2 is anticipated to begin operations..

The business results of H1 are expected to be weak across segments. However, valuations of many companies has already dropped to attractive level and mostly factors in the current weakness of business activities. Thus, we have a fairly optimistic view for the market in coming time. We keep looking for businesses with strong management teams, sound business practices, and promising future financial results.

Fund Statistics as of 31/03/2023 (12-month statistics)

	SSI – SCA	VN-Index
Volatility (Std) (%)	28.69	25.14
Sharpe Ratio	-0.9	-1.12
P/E Ratio TTM	10.38	13.80
P/B Ratio Current	1.64	1.68
Beta	0.91	1.00
Avg Mkt Cap (USD bn)	1.99	1.74

Fund Allocation by Sector (% NAV)



Ticker	Company Name	Sector	% NAV	Mkt Cap (VND Bn)	TTM P/E	Current P/B	ROE%
FPT	FPT Corp	Information Technology	19.57%	3,697	16.31	4.12	27.24
MWG	Mobile World Investment Corp	Consumer Discretionary	11.07%	2,404	13.62	2.36	18.52
STB	Saigon Thuong Tin Commercial JSB	Financials	4.99%	2,104	9.8	1.28	13.83
CTG	Vietinbank	Financials	4.73%	5,979	8.37	1.31	16.74
MBB	Military Commercial Joint Stock Bank	Financials	4.70%	3,525	4.73	1.09	25.80

SSI Asset Management Company Ltd. (SSIAM)

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Email: ssiam@ssi.com.vn Website: <http://www.ssi.com.vn> Tel: +84.24.393663214 x1633

Determine NAV

Day T-1	Day T	Day T+1	Day T+2
2:40 pm: Cut-off time	Fund Certificates Dealing Date	Receive the trade confirmation	Redemption payment

SUBSCRIPTION ORDER

Subscription amount

Minimum VND 10,000 (not including transfer fee)

Cut-off time

Cut off time to submit subscription/ redemption orders to Distributor: 3:00 pm on Day T-1.
Cut off time to make fund transfer: 5:00 pm on Day T-1.

If subscription payment is transferred from bank account of others not investor, the valid documents of payment confirmation must clearly state full name, SSI-SCA trading account, and payment amount of the beneficiary.

Money transfer

Account name: **SSISCA**
Bank: **Standard Chartered Bank (Vietnam) Ltd**
Number account: **90275350205**
Description: **[Name] [Account Number] buy SSISCA**

Confirmation of money transfer

SSIAM will send the confirmation of money transfer to investors within 01 working day from the date the money is credited to the Fund.

Trade Confirmation

Distributor will provide investors with the Trade Confirmation within 01 working days from the Dealing Date.

REDEMPTION ORDER

Trade Confirmation

Distributor will provide investors with the Trade Confirmation within 01 working days from the Dealing Date.
E.g.: Trading day is Tuesday, investors will be received the Trade Confirmation on Wednesday.

Redemption payment

Redemption payments (after tax and fees) shall be made directly to Investors' bank accounts within two (02) days from the Dealing Date.

SWITCHING ORDER

Investor can place switching orders between SSIBF, SSI-SCA and VLG Fund managed by the Fund Management Investor can choose to switch a portion or their entire outstanding Fund Units.

TRANSFER ORDER

Non-commercial transactions for an institution/individual shall be executed at Distributors and Investor must pay all the applicable fees and taxes related to the non-commercial transfer according to applicable regulations.

Details on transfer order shall be advised by SSIAM

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.

Please update us as soon as possible on any change of the Investor's information in the Part A of the Investor Profile provided to SSIAM.

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' advices to make appropriate investment decisions.

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