

Vietnam Phoenix Fund Limited

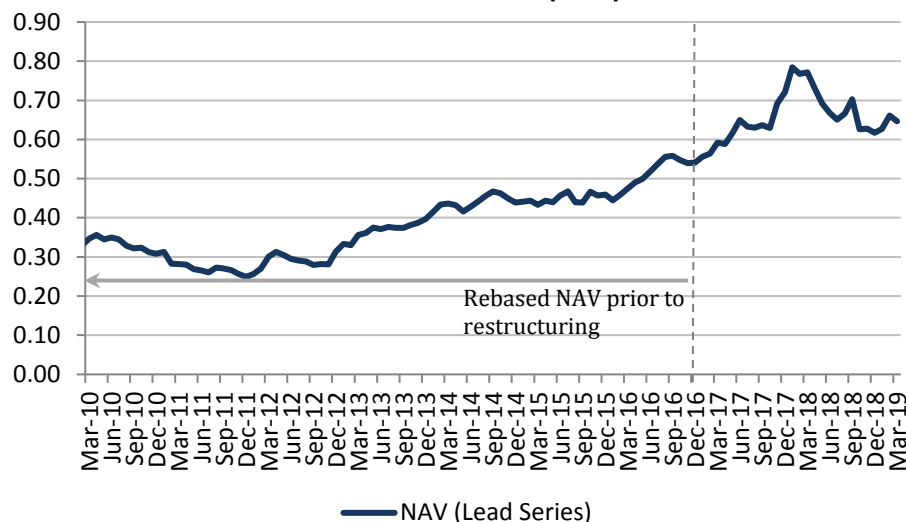
Monthly Factsheet

31st March 2019



CLASS A – Continuation Shares

NAV Performance (USD)



USD (%)	Cumulative Return				Annualised Return			
	1M	3M	6M	YTD	1Y	3Y*	5Y*	7Y*
VPF A <small>(Lead Series)</small>	-2.22	4.71	-8.03	4.71	-16.24	11.05	8.29	11.67
VNIndex	1.56	9.82	-3.09	9.82	-17.44	18.86	8.54	10.38
VHIndex	1.54	3.12	-7.21	3.12	-20.03	9.26	1.78	4.21

* Includes historical performance of Vietnam Phoenix Fund prior to the restructuring as of 31 Dec 2016. Past performance is not an indicator of future performance.

Top 3 Gainers	Price Change	Contribution to NAV Return
Vietcombank (VCB)	+ 11.2%	+ 0.39%
Vinhomes (VHM)	+4.6%	+ 0.37%
FPT Corp (FPT)	+ 2.9%	+ 0.32%

Top 3 Laggards	Price Change	Contribution to NAV Return
Yeah 1 (YEG)	- 58.4%	- 1.34%
Vinamilk (VNM)	- 4.5%	- 0.73%
Hoa Phat Group (HPG)	- 4.2%	- 0.40%

Total Net Assets: \$40.72 million

NAV/Share

Lead Series: \$0.6464
Series 3: \$0.9333
Structure: Open-End Fund
Liquidity: Monthly

Identifiers

ISIN Code: KYG9363R1056
 Bloomberg Ticker: VTNPX KY
 Sedol: BDHXLD2

Fund Manager: Benjamin Lim

Website:

www.vietnamphoenixfund.com

Top 10 Holdings (%)

Vinamilk	16.4
FPT Corp	12.0
Hoa Phat Group	9.7
Vinhomes	8.9
Khang Dien House	8.7
Kinh Bac City	4.8
Mobile World	4.7
HD Bank	4.6
PV Power	4.5
Vietnam Enterprise Inv Ltd	4.3
Total	78.6

Sector Allocation (%)

Real Estate	28.0
Consumers	24.4
Financials	15.0
Information Technology	12.0
Building Materials	9.7
Energy Equip & Svcs	6.4
Others*	4.5
Total	100.0

*Includes Cash & Accruals

Asset Breakdown (%)

Listed Equities	98.1
Cash and accruals^	1.9
Total	100.0

^Adjusted to include pending redemptions.

Voting Rights

The voting rights of all share classes are proportional to the value of shares at the most recent valuation date. As of 31st March 2019, the aggregate voting rights are 189,540,767.

CLASS A – Continuation Shares

All opinions expressed in the Fund Manager's report are those of the Fund Manager at the time of writing, and are subject to change, dependent on future changes in the market. Any prediction, projection or forecast on the economy, stock or the economic trends of the markets is not necessarily indicative of the future or likely performance.

Fund Manager's Report

In March 2019, Class A Shares Portfolio declined by 2.2%. The laggards are YEG (-58.4%), VNM (-4.5%) and HPG (-4.2%), offset by the returns from VCB (+11.2%), VHM (+4.6%) and FPT (+2.9%). VNIndex rose by 1.6%, given by bank sector and Vin's family. VPF A sold 22,010 YEG share at an average price of VND 147,600 per share, 47.6% higher than 31 Mar 2019 closing price.

Yeah 1 Group Corporation (YEG) nosedived 58.4% since YEG announced that they have been informed by YouTube regarding the termination of its respective Content Hosting Agreement (CHSA) after 31st March 2019 with YEG's digital YouTube AdSense related investees/ subsidiaries including SpringMe Pte Ltd (YEG owns indirectly 16.93% stake), ScaleLab, LLC (YEG owns directly 90% stake) and Yeah1 Network Pte Ltd (YEG owns directly 100% stake). CHSA is the agreement which allows MCNs (Multi-channel Network) to aggregate and manage YouTube AdSense revenue from third-party YouTube Channel. The reason came from SpringMe's operation incident as YouTube stated that the channel selection and channel management of SpringMe did not conform to YouTube's policy and Youtube apply the same termination policy against all YEG's companies that are related to YouTube AdSense (including ScaleLab and Yeah1 Network)¹.

For full-year 2018, the MCN segment contributed around USD 12 million or 17% of YEG's revenue and USD 1 million or 14% YEG's NPAT. Of which, Yeah1 Network is the biggest contribution while SpringMe's contribution was insignificant and ScaleLab has not contributed yet as YEG just bought it since January 2019¹.

We understand that MCN segment was poised key growth driver for YEG. And as we see low chance to get back the license for YEG's MCNs, we put selling order. Unfortunately, the liquidity was very poor. However, we also understand the prospect of remaining segment (traditional media & advertising; Publishing) is still there and their manager are promptly responding for this operation incident. At the closing price on 31/03/2019 of VND 100,000 per share, YEG is traded at FY19-20 EV/EBITDA of 5.26 times²- 38% lower than regional average. YEG represented 0.83% of VPF A portfolio as end of March 2019.

In order to protect ScaleLab from Youtube's termination, YEG sold 100% ScaleLab stake to its original owner, Brenner Pass Investment Corp, at YEG's initial purchasing price of USD 12 million. YEG record no loss from its investment in ScaleLab.

The Company announced that they proposed State Securities Commission of Vietnam SSC to buy-back of shares up to 3,127,990 shares or 9.99% of its issued capital. However, as YEG proposed using money from IPO to fund for the buyback, SSC might require further paperwork and the approval from FY2019 AGM which will be hold on May 8th 2019.

Vinamilk (VNM) fell by 4.5% in March. For FY2019, the company set a target of VND 56,000 billion (+6% YoY) and VND 11,200 billion in EBT (-7% YoY). VNM announced on March 12th 2019 that they are acquiring up to 46.89% stake of GTNfoods JSC (GTN- Hose) via tender offer at a price of VND 13,000 per share. The deal value is VND 1,517 billion or USD 64.5 million. GTN indirectly owns a 37% stake of Moc Chau Milk JSC – a small dairy player with market share of 2.9% for overall and 4% for liquid milk³. Moc Chau Milk is well-known dairy brand in the North Vietnam and they own a large cow herd of around 22,000 heads in Moc Chau highland with favourable weather for cow raising³. However, GTN's BOD decided to decline VNM's offer as they view VNM's products directly compete with Moc Chau's products while there has no further discussion between VNM and GTN yet. We view a modest growth in Vietnam dairy industry as urbanisation and rising incomes continue to support dairy consumption. Moreover, we expect increasing VNM own milk farms' output plus improving products structure will expand VNM's profit margin.

Vietcombank (VCB) is the largest contributor with a return of 11.2%. VCB posted EBT of VND 18,269 billion (+61% YoY) in FY2018. The net interest income rose by 29% YoY, given by 14.8% credit growth and 26 bps improvement in net interest margin. For FY2019, VCB is guiding EBT of VND 20,500 billion as they assume that (1) a growth of 12% YoY in total asset; (2) a growth of 13% YoY in its deposits; (3) a growth of 12% in its credits; (4) the bad debt proportion of less than 1%. In January 2019, VCB issued 16.66 million shares (or 0.45% of its outstanding shares) to its strategic shareholder- Mizuho and 94.44 million shares (or 2.55% of its outstanding shares) to GIC at a price of around VND 55,800 per share⁴. We view VCB as the industry-leading bank with higher average asset and earnings quality and VCB would be highly favour when Vietnam's stock market is upgraded to "emerging".

1 Source: YEG Management

2 Source: Duxton's forecast

3 Source: GTN Management

4 Source: <http://ndh.vn/gic-mua-xong-co-phan-vietcombank-gia-55-800-dong-cp-2019010902319823p149c165.news>

Vietnam Phoenix Fund Limited

Monthly Factsheet

31st March 2019



CLASS C – Private Equity Shares

All opinions expressed in the Fund Manager's report are those of the Fund Manager at the time of writing, and are subject to change, dependent on future changes in the market and/ or company. Any prediction, projection or forecast on the economy, stock or the economic trends of the markets is not necessarily indicative of the future or likely performance.

USD (%)	Cumulative Return				Annualised Return			
	1M	3M	6M	YTD	1Y	3Y*	5Y*	7Y*
VPF C	0.93	-0.21	6.91	-0.21	1.8	4.1	4.2	8.6

* Includes historical performance of Vietnam Phoenix Fund prior to the restructuring as of 31 Dec 2016. Past performance is not an indicator of future performance.

The Private Equity asset pool contains unlisted investments and other illiquid listed investments. Unlisted investments will be re-valued every six months, or sooner in case of a significant event. The unlisted investments within the pool were last valued by Grant Thornton Vietnam Ltd in December 2018. The Investment Manager is mandated to realize the assets of the Private Equity pool prior to 31 December 2020, and to seek a balance between maximizing value and returning cash to shareholders promptly.

Fund Manager's Report

The NAV per share of the Class C Shares increased 0.93% in March.

Greenfeed reported audited results for FY 18 with revenue of VND 10,033bn (+3.1% YoY) and net profit after tax (NPAT) of VND 324.0bn (+1.5% YoY) for FY 2018.

Several negative news pertaining to the Vietnamese pork industry were reported in March. China announced on 12th March that it has banned imports of pigs, wild boars and related products from Vietnam after the country reported a series of outbreaks of African swine fever (ASF).⁵ On 18th March, an outbreak of pork tapeworm, which affected over two hundred children was reported in the northern province of Bac Ninh.⁶ Greenfeed management updated that the recent outbreak of ASF and the tapeworm incident in Vietnam have seen downstream consumers develop negative sentiments with regard to pork quality issues, which has negatively affected pork selling prices. Management updated that as of end March, pork prices has dropped to VND 30k – 33k in the north and VND 37 – 38k in the south. As a comparison, in terms of selling prices, the lowest price for pigs within 2018 was approximately VND 30k. Negotiations on the Fund's exit continue to progress.

Anova's management has conveyed that while ASF remains a clear risk to the feed industry and their business in the near term, they have taken strategic measures to diversify their business away from pig farming since 2017 – for example, they have reduced the share of pig feed from 70% of total feed to 50%. Management also expects their vaccinations and medicine businesses to benefit over the longer term with the farmers adopting more rigorous animal healthcare and farm management protocols. A formal sales process for the Manager's stake will commence in May, post the release of the company's full-year audited results.

⁵ Source: <https://www.reuters.com/article/china-swinefever-pig-imports/china-bans-imports-of-vietnamese-pigs-wild-boars-related-products-to-prevent-african-swine-fever-idUSB9N20G01R>

⁶ Source: <http://outbreaknewstoday.com/vietnam-pork-tapeworm-outbreak-affects-hundreds-children-bac-ninh-87616/>

Net Assets: \$128.71 million
NAV/Share: \$0.3375
Shares Out: 381,375,002

Identifiers

ISIN Code	KYG2886W1078
Bloomberg Ticker	VTNPHXC KY
Sedol	B1FHXT2

Fund Manager: Sharon Seet

Website:

www.vietnamphoenixfund.com

Market Makers

Jefferies International	
Michele White	<JCEF> GO
mwhite@jefferies.com	
Numis Securities	
Dave Cumming	<NUMI> GO
d.cumming@numis.com	
FinnCap	
Johnny Hewitson	<JMFC> GO
jhewitson@finncap.com	

Top 10 Holdings (%)

Greenfeed	36.2
Corbyns International	17.8
Anova Corp	16.2
An Phat Plastic	7.2
VTC Online	4.7
NBB Investment Corp	2.4
Tien Phong Plastic	1.5
SSG Group	1.2
Dinh Vu Port Investment	0.3
Total	87.5

Asset Breakdown (%)

Invested Securities	87.5
Cash and accruals	12.5
Total	100.0

Voting Rights

The voting rights of all share classes are proportional to the value of shares at the most recent valuation date. As of 31st March 2019, the aggregate voting rights are 189,540,767.

Vietnam Phoenix Fund Limited

Monthly Factsheet

31st March 2019



CLASS C – Private Equity Shares

On **VTC Online's** exit, the Fund Manager has engaged a legal advisor to help actively pursue the Fund's legal entitlements due from the Sponsor and the Company. While no formal legal action has commenced, negotiations between the Fund Manager and Sponsor are ongoing.

An Phat was the biggest contributor to the portfolio's performance with an increase in share price of 12.0% in March. An Trung Industries, a member company of An Phat Holdings (APH) officially became the second supplier for Samsung in Mar 19, specializing in supplying plastic components for Samsung phone production. While this news does not have direct impact on An Phat Plastic, the market seemed to welcome this news as a result of the aggressive restructuring of the entire group. The Fund Manager has sold a substantial amount of the Fund's shareholdings in the market at the beginning of April.

NBB's share price rose 6.1% with increased liquidity in March. The Fund Manager took advantage of the liquidity window during March and sold most of the portfolio's shares in NBB. The fully diluted shareholdings in NBB is 2.89% as of 15th April 2019.

As of 15th April 2019, the Fund has a net cash position of over 15% of NAV. The Investment Manager will be recommending to the Board of Directors to make a cash distribution to shareholders in the near future.

Vietnam Phoenix Fund Limited

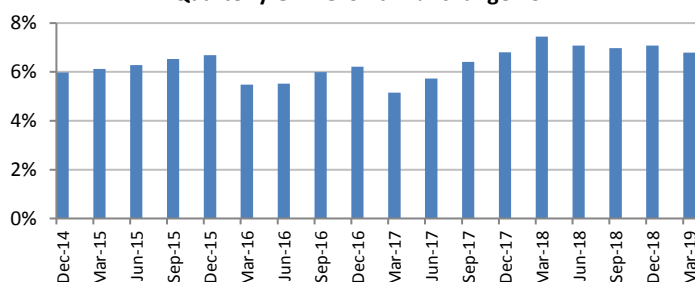
Monthly Factsheet

31st March 2019

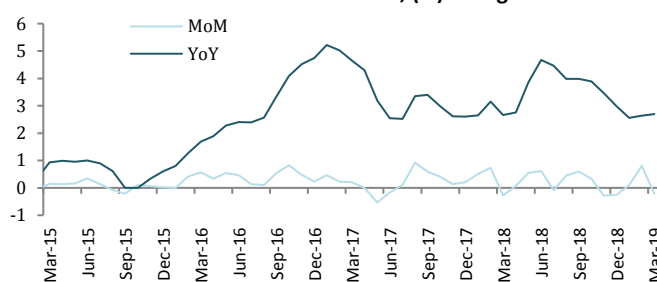


Market Update

Quarterly GDP Growth - % change YoY



Consumer Price Index, (%) change



Vietnam Economic Indicators

		2016	2017	2018	2019F
Real GDP Growth	%	6.2	6.7	7.08	6.80
CPI	%	4.7	2.6	3.54	3.50
Export Growth	%	9.0	20.6	13.8	8.8
Import Growth	%	5.2	21.3	11.5	11.7
Trade Balance	\$bn	2.7	2.3	7.2	0.62
Registered FDI	\$bn	21.0	35.9	25.6	20.0
FX Reserve	\$bn	41.0	52.0	60.0	60.0
USDVND	VND	22,761	22,968	23,245	23,942

		Mkt Cap (USD bn)	2019 Forward P/E	PEG	Div Yield	ROE
Indonesia	JCI	514	20.6	2.2	0.5%	23.4%
Thailand	SET	535	19.3	2.3	4.0%	15.5%
Singapore	FSSTI	425	13.6	3.5	2.6%	9.7%
Malaysia	FBMKLCI	255	20.3	3.0	2.6%	21.7%
Philippines	PCOMP	191	18.9	1.7	1.5%	13.3%
Vietnam	VNINDEX	139	20.4	1.3	2.7%	23.4%

Vietnam witnessed a slowdown as GDP growth posted at 6.79% vs 7.38% in 1Q 2019. Of which, industry and construction sectors rose by 8.63%, followed by service sector with a growth of 6.50% and agriculture, forestry and fishery with a growth of 2.68%.

On the other hand, 1Q 2019 CPI growth recorded the lowest number over last 3 years of 2.63%, mainly driven by foodstuff and education cost. For March only, CPI dipped of 0.21% due to the lower consumption after Tet holiday and the outbreak of the African Swine Fever in some parts of Vietnam⁷ although the electricity price rose 8.36% since March 20th.

The total registered Foreign Direct Investment (FDI) by the end of March 20th is estimated at USD 10.8 billion (+86.2% YoY). FDI disbursement rose by 6.2% YoY to USD 4.12 billion. Manufacturing sector still lead FDI flows when accounting for 78% of total FDI.

According to General Statistics Office, Vietnam recorded a trade surplus of USD 536 million in 1Q 2019. Of which, exports reached USD 58.51 billion (+4.7% YoY) while imports reached USD 57.98 billion (+8.9% YoY). Mobile phones and mobile components still made up the largest export products category with a value of USD 12.1 billion, however this value fell by 4.3% YoY due to the decreases in Samsung production⁸. Moreover, export value of some seafood/ fishery and agricultural goods also decreased. For example, vegetables USD 885 million (-8.6% YoY), coffee USD 830 million (a drop of 23.8% YoY in value and 15.3% YoY in volume), cashew nuts USD 625 million (a drop of 17.2% YoY in value and 4.7% YoY in volume), rice USD 567 million (a decline of 23.6% YoY in value and 11.5% YoY in volume). Vietnam exports, like several Asian countries such as Singapore, South Korea and Mongolia have been affected by possible global economic slowdown⁹. However, due to CPTPP and other FTA commitments, Vietnam exports will still see opportunity for growth. Export value to China (one of Vietnam's key export markets) went down by 7.4% YoY.

The domestic stock market was supported by foreign buyers. In 1Q 2019, the foreigner net bought USD 200 million on Vietnam stock market, of which 85% buyers are ETFs¹⁰.

7. Source: <http://vneconomy.vn/cpi-quy-1-2019-tang-thap-nhat-trong-3-nam-20190329102011765.htm>

8. Source: https://www.nna.jp/english_contents/news/show/20190401_0002

9. Source: <https://www.straitstimes.com/business/economy/singapore-is-3rd-most-vulnerable-in-asia-pacific-to-sustained-china-trade-slowdown>

10. Source: <http://cafef.vn/85-luong-mua-rong-cua-khoi-ngoai-trong-quy-1-den-tu-cac-quy-etf-20190401225237429.chn>

Vietnam Phoenix Fund Limited

Monthly Factsheet

31st March 2019



About Duxton Asset Management Pte Ltd

Duxton Asset Management is a boutique asset manager with a dual focus: Agriculture and Asian Emerging Markets. A carve-out from one of the world's foremost financial institutions, Duxton is regulated by the Monetary Authority of Singapore as a holder of a Capital Markets Services License to conduct the regulated activity of fund management for accredited investors and institutional investors. The Duxton Group has approximately USD 988 million worth of assets under management and advice as of Mar 2019.

Disclaimer

This factsheet is directed at institutional investors and accredited investors as defined in the Securities and Futures Act, Chapter 289 of Singapore or investor in an equivalent class under the laws of the country or territory ("Permitted Investors"), and is not intended for use by retail investors. The content of this factsheet is intended as a source of general information for Permitted Investors only, and is not the basis for any contract to deal in the Vietnam Phoenix Fund Limited* ("VPFL") or any security or instrument, or for Duxton Asset Management ("Duxton") or their affiliates to enter into or arrange any type of transaction as a consequence of any information contained. The terms of VPFL are set out in the fund prospectus ("Prospectus") of VPFL, and should there be any conflict between the terms set out in this factsheet and the Prospectus, the terms in the Prospectus shall prevail.

The information contained in this factsheet is subject to updating, revision and amendment, and no liability whatsoever is accepted by Duxton Asset Management, Vietnam Phoenix Fund or any other person, in relation thereto. Market information such as Index and share price performance are obtained from open sources such as Bloomberg unless otherwise stated. This document may contain company-specific news sourced from the investee companies' websites and announcements at the relevant stock exchanges. Economic and industry data pertaining to Vietnam are obtained from General Statistics Office ("GSO") of Vietnam unless otherwise stated. If you are in any doubt about this document or any information contained in this document, you should obtain independent professional advice.

Information from this factsheet must not be issued in any jurisdiction where prohibited by law and must not be used in any way that would be contrary to local law or regulation. Specifically, this shall not be construed as the making of any offer or invitation to anyone in any jurisdiction in which such offer is not authorized or in which the person making such offer is not qualified to do so or to anyone to whom it is unlawful to make such an offer.

The forecasts provided are based upon our opinion of the market as at this date and are subject to change, dependent on future changes in the market. Any prediction, projection or forecast on the economy, stock market, bond market or the economic trends of the markets is not necessarily indicative of the future or likely performance. Investments are subject to risks, including possible loss of principal amount invested. The value of shares/ units and their derived income may fall as well as rise. Past performance or any prediction or forecast is not necessarily indicative of future performance. No assurance is given that the investment objective or the targets will be met.

This factsheet does not constitute investment, tax, legal or any other form of advice or recommendation and was prepared without regard to the specific objectives, financial situation or needs of any particular person who may receive it. Investors should study all relevant information and consider whether the investment is appropriate for them. If you require investment or financial advice please contact a regulated financial adviser. No representation or warranty, either expressed or implied, or is provided in relation to the accuracy, completeness or reliability of the information contained herein, nor is it intended to be a complete statement or summary of the securities, markets or developments referred to in this factsheet.

Duxton or its affiliates may hold positions in the securities referred. Where stocks are mentioned, it should not be construed that these are recommendations to buy or sell those stocks. The investment schemes referred are not obligations of, deposits in, or guaranteed by Duxton or any of its affiliates.

You are not authorized to redistribute this document nor qualified to make any offer, representation or contract on behalf of Duxton or its affiliates. Although the information was compiled from sources believed to be reliable, no liability for any error or omission is accepted by Duxton or its affiliates or any of their directors or employees. The information and opinions contained may also change.

Copyright protection exists in this factsheet. The contents of this factsheet are strictly confidential and it may not be disclosed, reproduced, distributed or published by any person for any purpose without our written consent. To the extent permitted by applicable law, none of Duxton Asset Management, their affiliates, or any officer or employee of Duxton accepts any liability whatsoever for any direct or consequential loss arising from any use of this factsheet or its contents, including for negligence.

*Formerly known as DWS Vietnam Fund Limited. The Fund was renamed to Vietnam Phoenix Fund Limited following the resignation of Deutsche Asset Management (Asia) Limited as Investment Manager on 30 September 2016. Duxton Asset Management has since been appointed the Investment Manager of Vietnam Phoenix Fund Limited.

Contact Information

8 Eu Tong Sen Street, The Central, #23-89 Singapore 059818

T: + 65 6511 0362

F: + 65 6220 7956

E: vpf@duxtom.com