



Lumen Vietnam Fund – Webinar Presentation

Enter the Dragon – Outlook 2021 and Beyond

27th. October, 2020



Agenda

1. Introduction

2. Macro update

3. Lumen Vietnam Fund – Portfolio Update

4. Lumen Vietnam Fund – Outlook & Opportunities

5. Q&A

A Winning Leadership Team



Ms. Van Anh Vuong

CIO at Vietnam Holding Asset Management Ltd
Ho Chi Minh City, Vietnam



Mr. Mario Timpanaro

Responsible Fund Manager, Zurich



A Winning Team dedicated for Lumen Vietnam Fund



Saigon is always buzzing, even during and after COVID19





Macro Update

Impressive growth amid Covid-19 pandemic

YoY Quarterly GDP growth by country 2019Q3-2020Q2

	Percentage change compared with the same quarter of the previous year			
	2019Q3	2019Q4	2020Q1	2020Q2
Vietnam	7.3	7.0	3.8	0.4
United States	2.1	2.3	0.3	-9.0
EU	1.7	1.2	-2.7	-13.9
Japan	1.7	-0.7	-1.9	-10.1
South Korea	2.0	2.3	1.4	-2.7
China	6.0	6.0	-6.8	3.2
India	4.4	4.1	3.1	-23.9
Singapore	0.7	1.0	-0.3	-13.2
Thailand	2.6	1.5	-2.0	-12.2
Indonesia	5.0	5.0	3.0	-5.3
Malaysia	4.4	3.6	0.7	-17.1
Mexico	-0.5	-0.8	-2.1	-18.7
Brazil	1.2	1.7	-0.3	-11.4



Macro Outlook

Macro indicators	Vietnam FY2019	Vietnam FY2020 - Forecast	World Average FY2020 - Forecast	Vietnam FY2021 - Forecast	World Average FY2021 - Forecast
Real GDP growth	7.02%	+2.6%	-4.4%	+6.7%	+5.2%
CPI (average)	2.79%	3.6%	3.5%	3.5%	3.4%
Budget balance	-3.4% GDP	-5% GDP	n/a	-4% GDP	n/a
Export growth/Trade	8.10%	+4%	-9.2%	>7%	+7.2%
Retail sales growth (nominal)	11.80%	+2.5%	-5.7%	>10%	+7.2%
Credit growth	13.70%	+9%	-1.9%	10%-12%	3%-4%

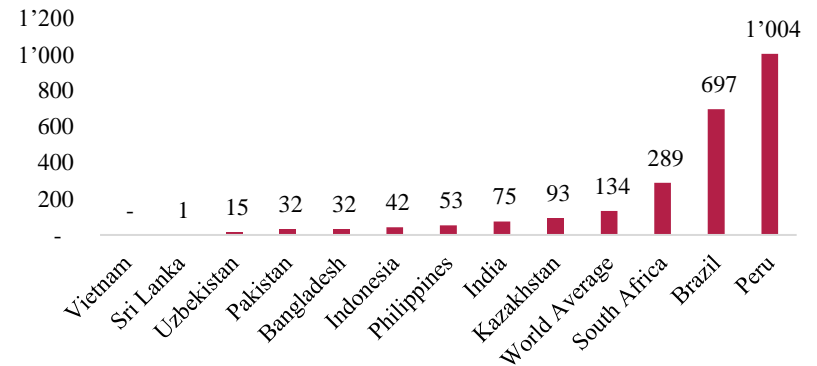
Sources: General Statistics Office of Vietnam (GSO), IMF, WTO, Statista, Research and Market, HSC, VNHAM

Covid19 Update - Excellent Pandemic Management

**Among lowest Covid-19 infection cases
(total cases/1 million of population)**



**Among lowest deaths from Covid-19
(deaths/1 million of population)**



SEPTEMBER 2020

SIX INT'L ROUTES OF COMMERCIAL FLIGHTS RESUMED

International routes will reopen in September 2020 after more than five months of suspension due to COVID-19 outbreak. This is expected to create a new boost to the quiet aviation market hit by two waves of COVID-19.

SIX INT'L ROUTES

Frequency: ≤ 2 flights/week/route



JAPAN

SOUTH KOREA

TAIWAN

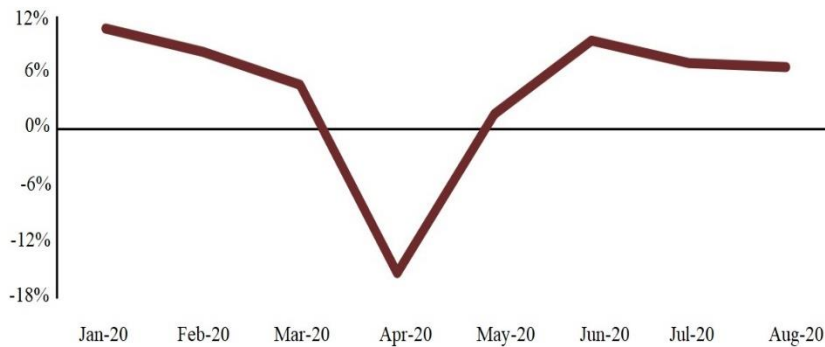
LAOS

CAMBODIA

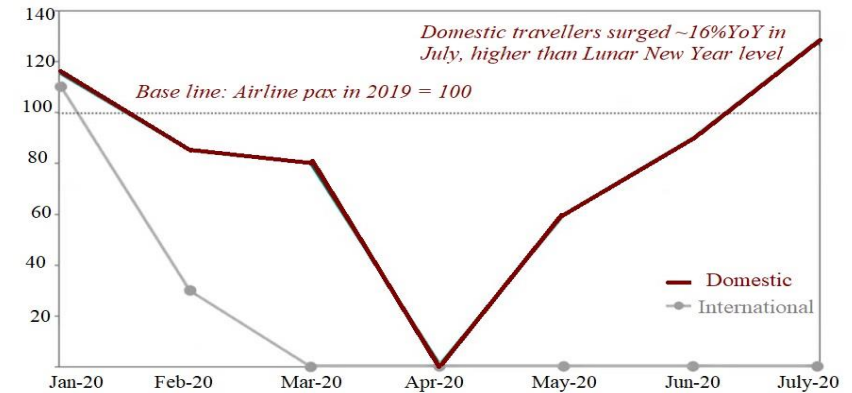


Covid19 - Recoveries From the Pandemic

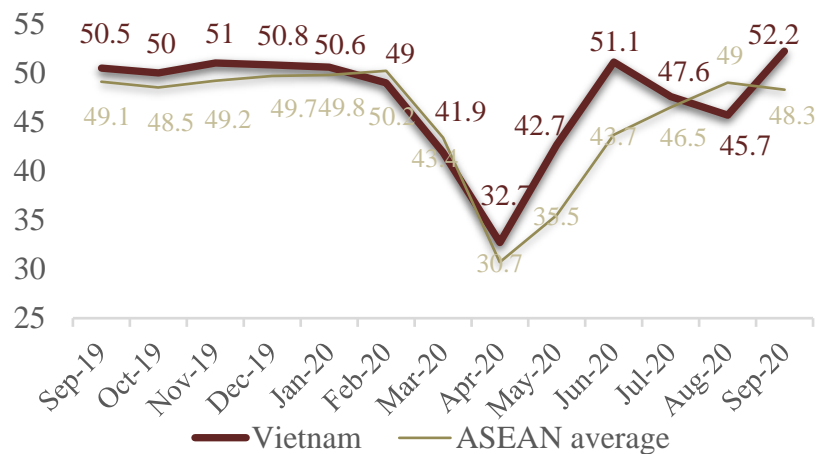
Retail sales stabilized and recorded YoY growth



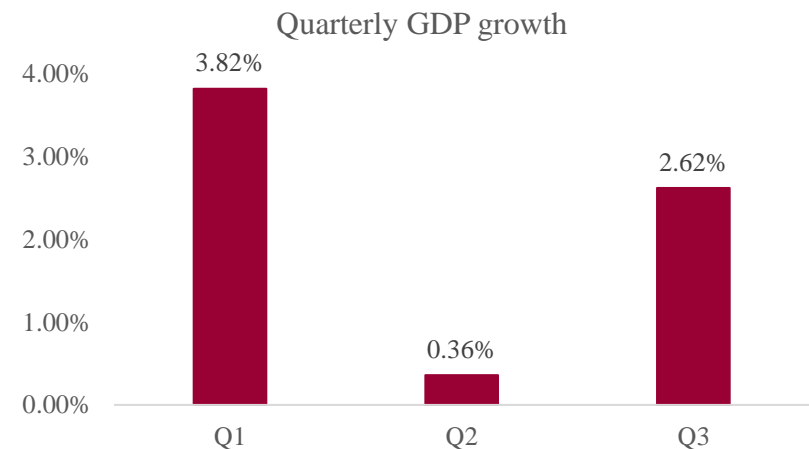
Domestic travel recovered strongly since May



Strong production (PMI) indicator vs. regional markets

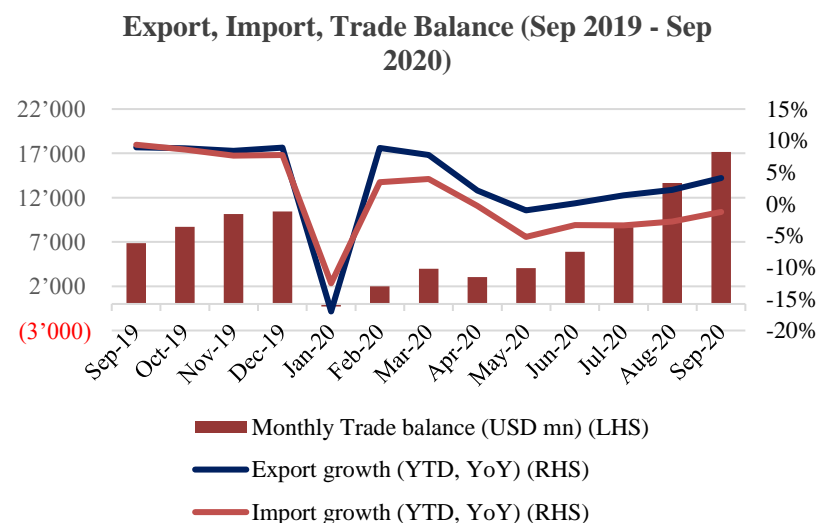


GDP growth regained in Q3



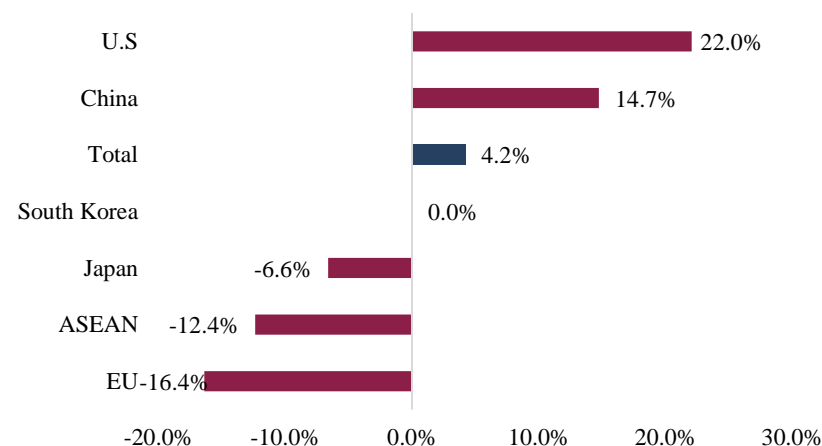
Resilient and Diversified Export Capacity

Encouraging trade balance amid pandemic



Strong export growth to U.S and China

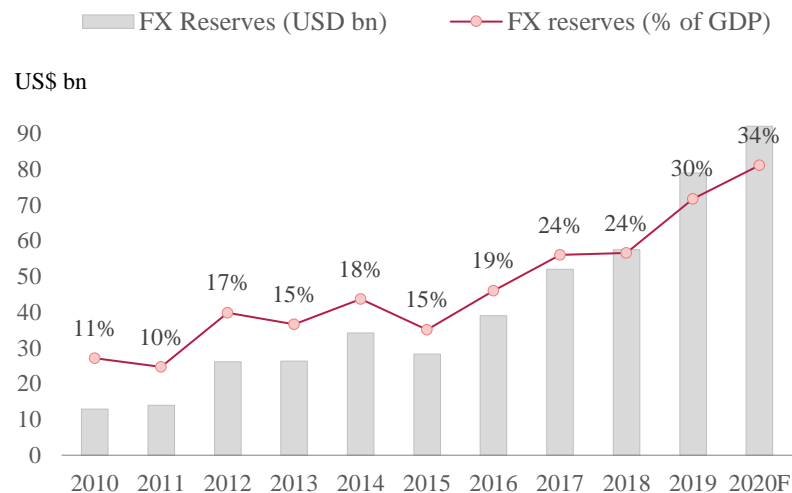
YTD export with key markets



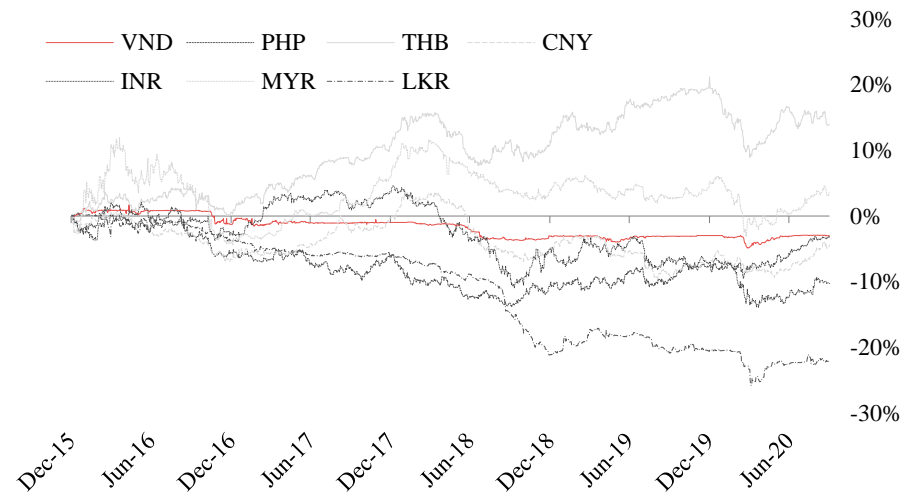


Stable FX reserve and exchange rate against USD

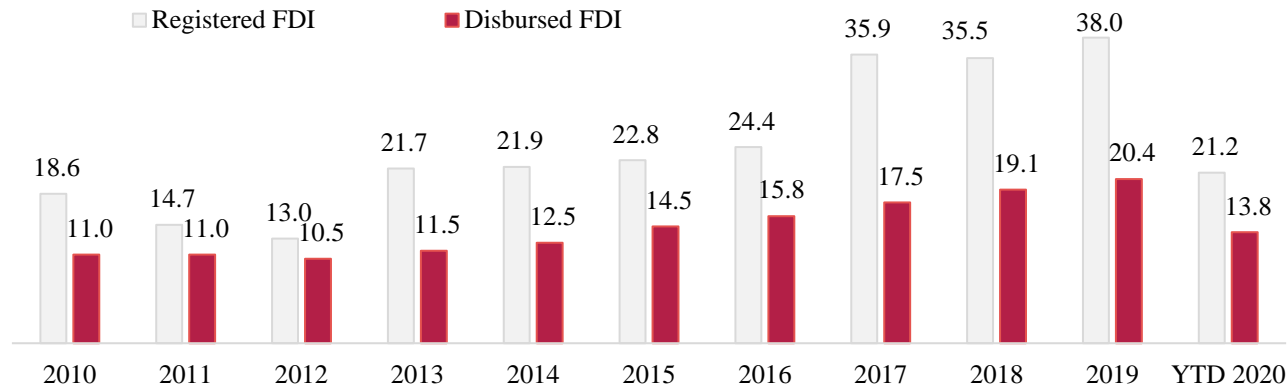
Record high level of foreign reserves



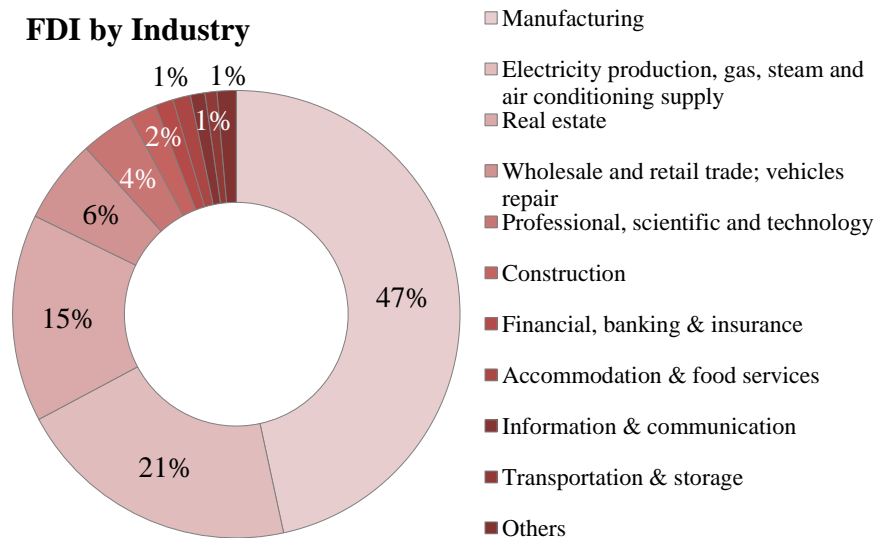
Resilient currency



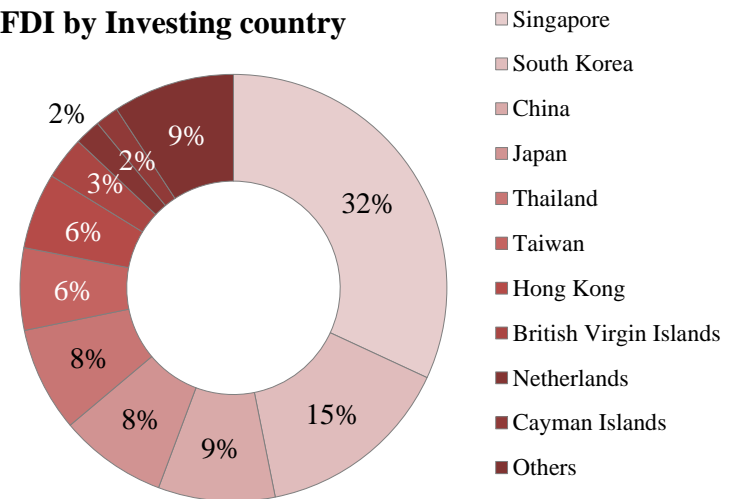
Resilient and Diversified FDI Partners



FDI by Industry



FDI by Investing country



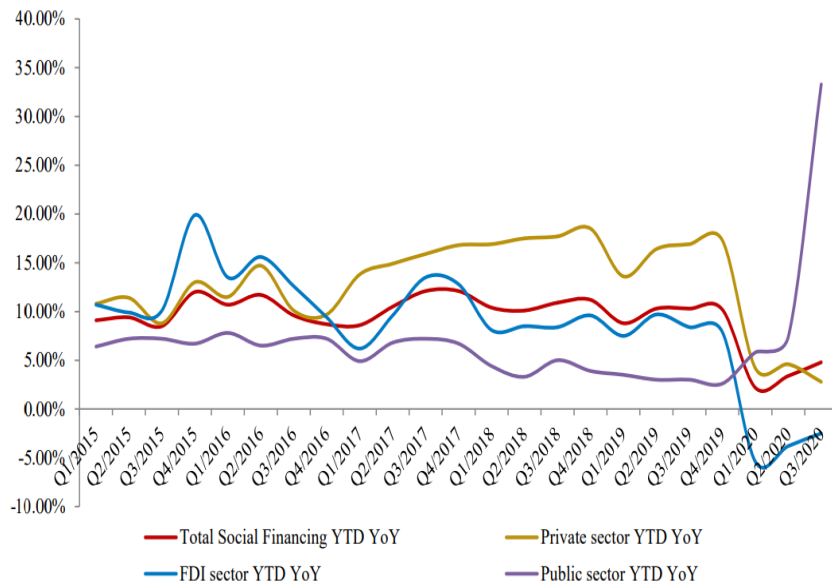


Shift of major supply chain to Vietnam

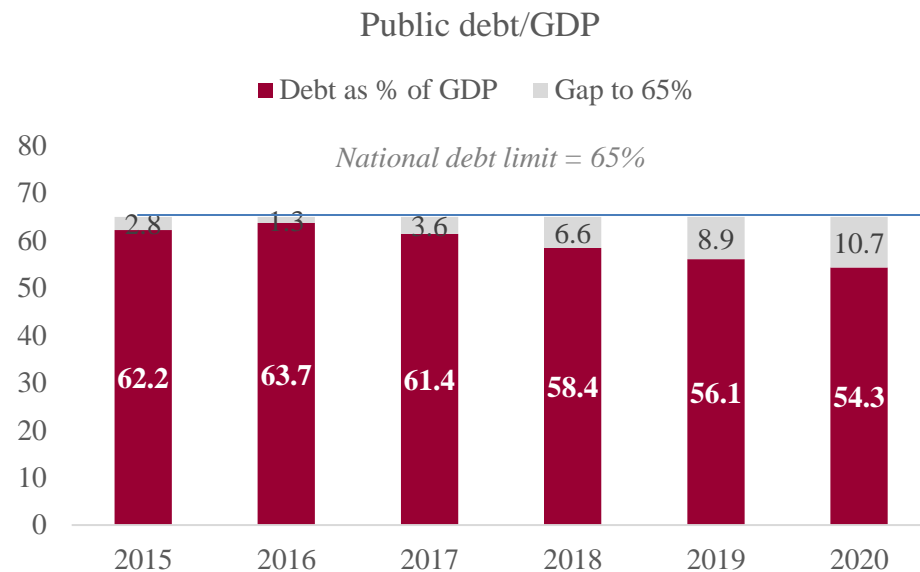
Announcement time	Company	HQ	Product	Description	Note
Feb-19	GoerTek	China	AirPods	US\$260m investment	Key AirPods assembler
Feb-19	TCL Corporation	China	TV	For domestic sales and the US market	
Jun-19	Sharp Corporation	Japan	PCs	Moved a part of its production of notebook PCs from China to Vietnam	
Jun-19	Meiko Electronics	Hongkong	Printed Circuit Boards	US\$200m additional capital for expansion	Supplier of Samsung
Jul-19	Nintendo	Japan	Video game	Transferred a part of its Switch Life game console production to Vietnam	
Sep-19	Luxshare Precision Industry	China	Wireless headphones	US\$180m investment in Bac Giang	Key AirPods manufacturer
Nov-19	LG Display	Korea	TV	US\$410m additional capital for expansion	
Jan-20	Compal Electronic	Taiwan	Electronics	New plant with additional capacity by the end of 2020	Ipad producer
Feb-20	Google	US	Smartphone	Started producing Pixel 4a with its partners in northern Vietnam	
Apr-20	Wistron	Taiwan	Electronics	US\$274m investment	Apple assembly partner
May-20	Panasonic	Japan	Electronics	Move from Thailand to Vietnam for larger and more efficient plant	
Jun-20	Inventec	Taiwan	AirPods	New plant in Vietnam at the request of Apple	Key AirPods assembler
Jun-20	Foxconn	Taiwan	Electronics	Plan a 600ha industrial park in Bac Giang, pending for government's approval	Apple assembly partner
Sep-20	Pegatron	Taiwan	Electronics	US\$1.0bn investment	Apple assembly partner

Accelerated state budget spending on infrastructure

Accelerated public investment



Plenty of room for public spending



Major infrastructure projects kicked-off in 2020-2022

Project	Est. investment	Commencement	Est. completion
11 sub-projects of the eastern section of the North-South expressway	\$ 5.07 billion	2020	2025
Long Thanh International Airport - Phase 1	\$ 4.89 billion	2021	2026
Metro Line No.2 (Ben Thanh - Tham Luong)	\$ 2.04 billion	2021	2026
Dau Giay - Da Lat Expressway	\$ 2.77 billion	2021	2025
Ho Chi Minh - Thu Dau Mot - Chon Thanh Expressway	\$ 1.03 billion	2021-2022	2025
Ring Road 3	\$ 896 million	2022	2025
Ho Chi Minh - Moc Bai Expressway	\$ 456 million	2021	2026
The water environment improvement project (Phase 3)	\$ 512 million	tbd	tbd
Soai Rap River Dredging Project (Phase 3)	\$ 339 million	2022	2025
Tan Son Nhat Airport's T3 Terminal	\$ 472 million	2020	Mid 2023



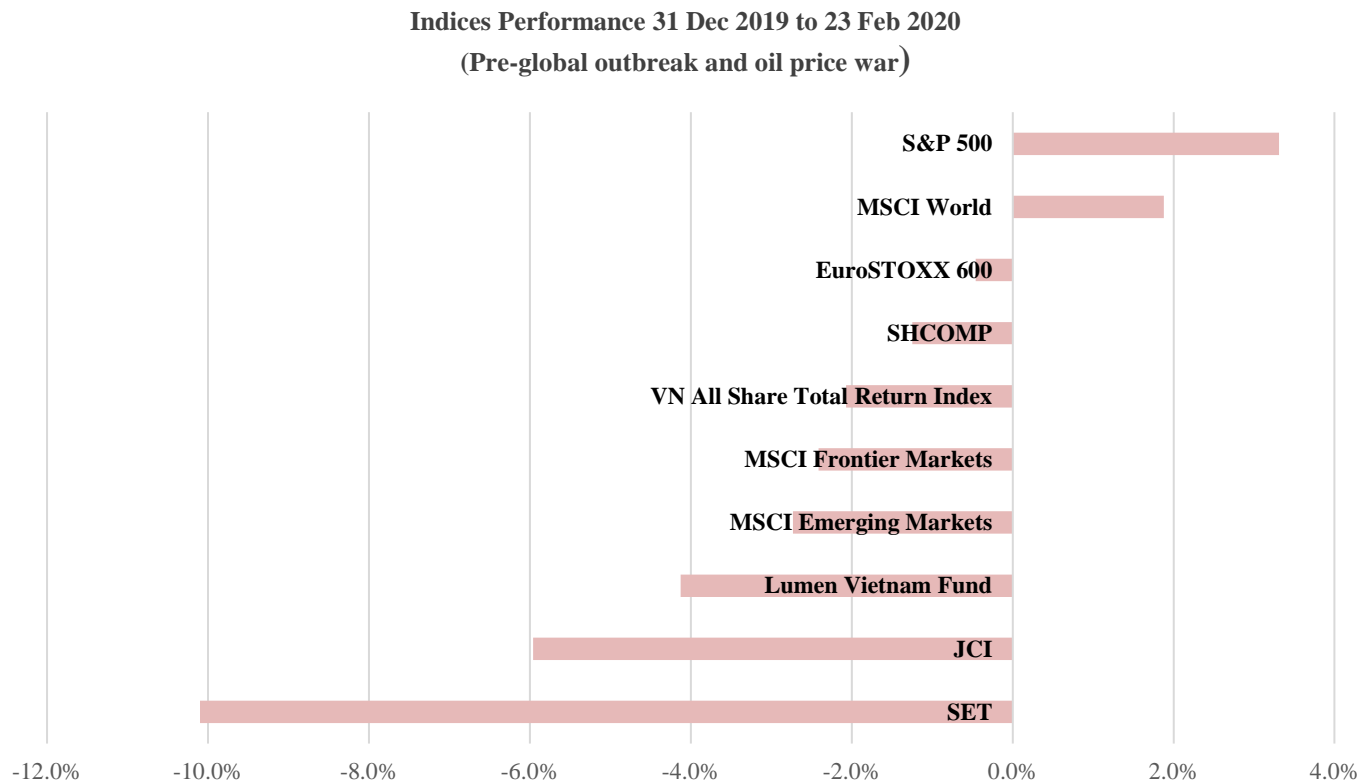


Lumen Vietnam Fund - Update



First Wave of the Covid19 - Global Market in Turmoil

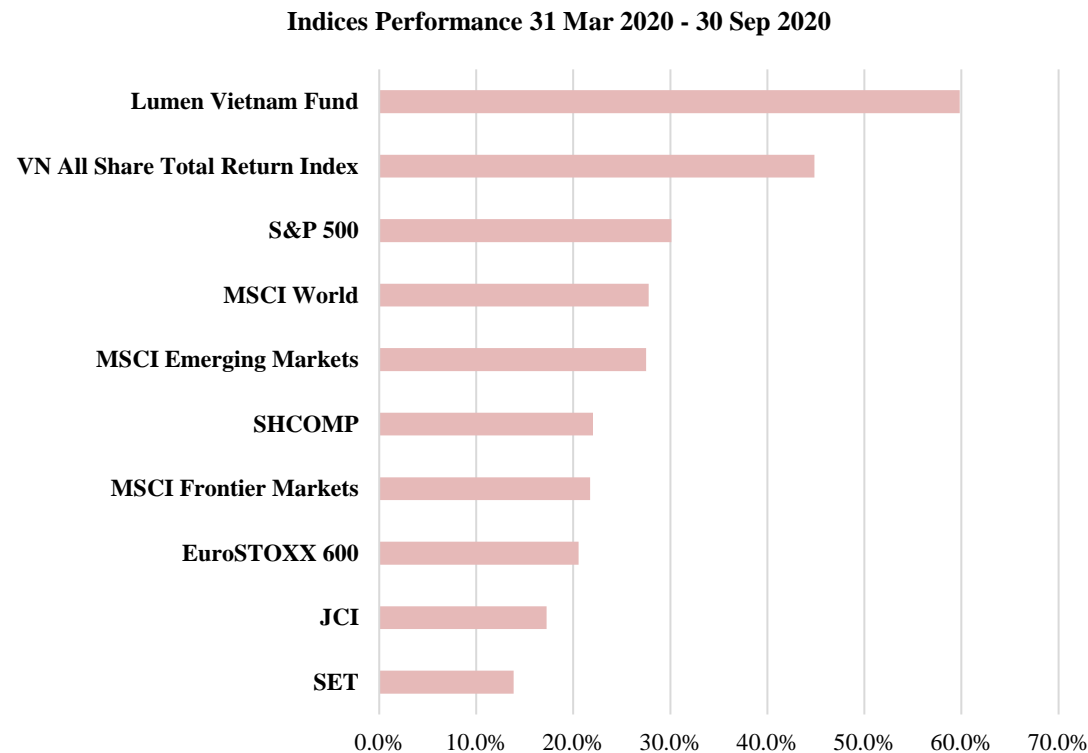
LVF performance vs. Indices





Lumen Vietnam Fund - Impressive rebound since April

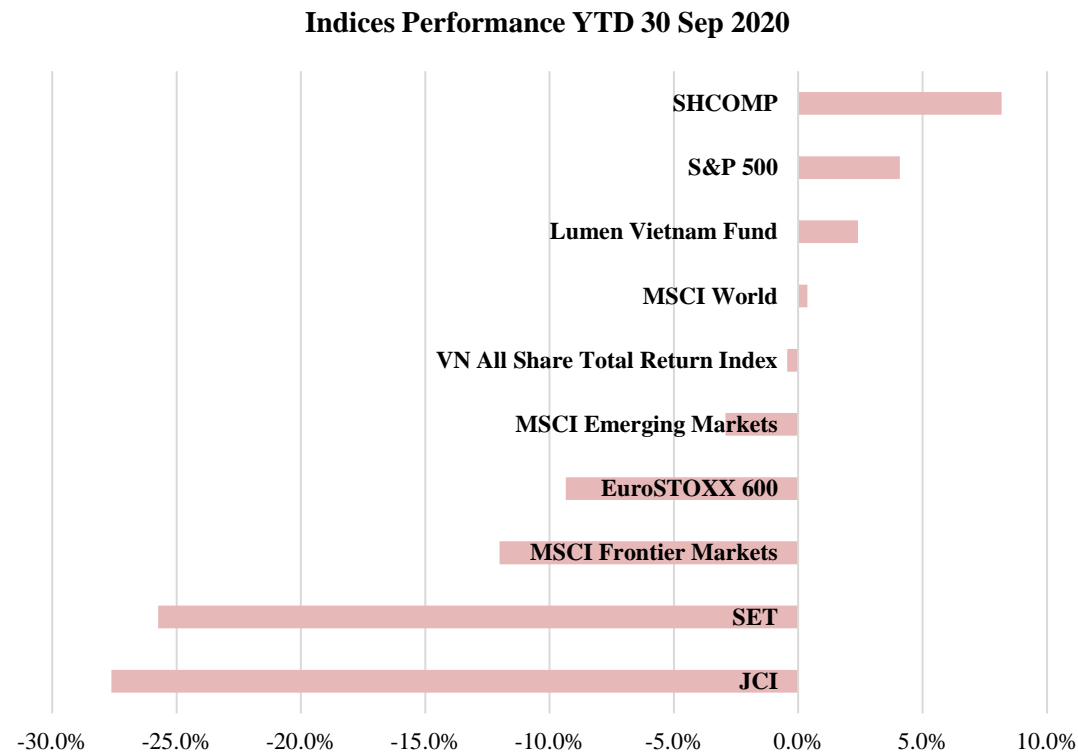
LVF performance vs. Indices





Lumen Vietnam Fund – Top Performer and Diversifier

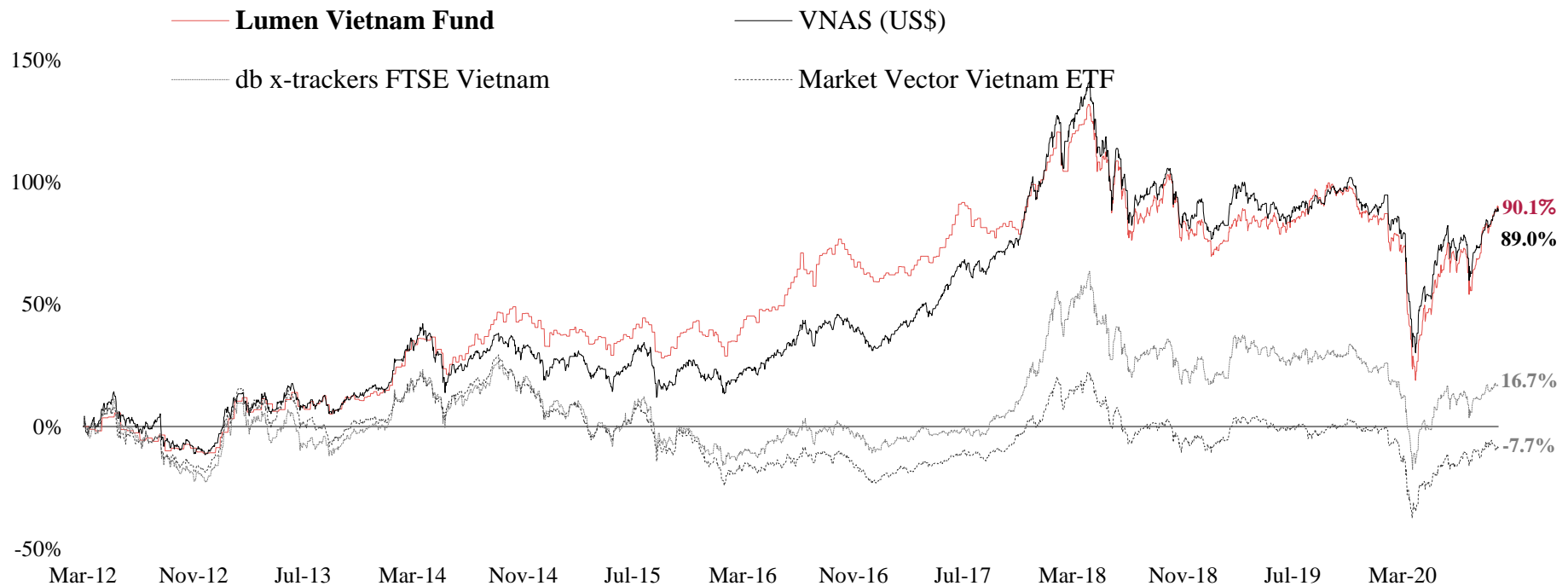
LVF performance vs. Indices



Lumen Vietnam Fund Performance

- On a long term basis Lumen Vietnam (LVF) has consistently outperformed the investable passive ETF's by a wide margin

Lumen Vietnam Fund NAV since inception vs. Vietnam All Share TR Index & ETFs



Note: In considering any Fund performance each recipient of this presentation should bear in mind that past performance is not indicative of future results, and there can be no assurance that any future fund managed or advised by VAM or VNHAM will achieve comparable results.

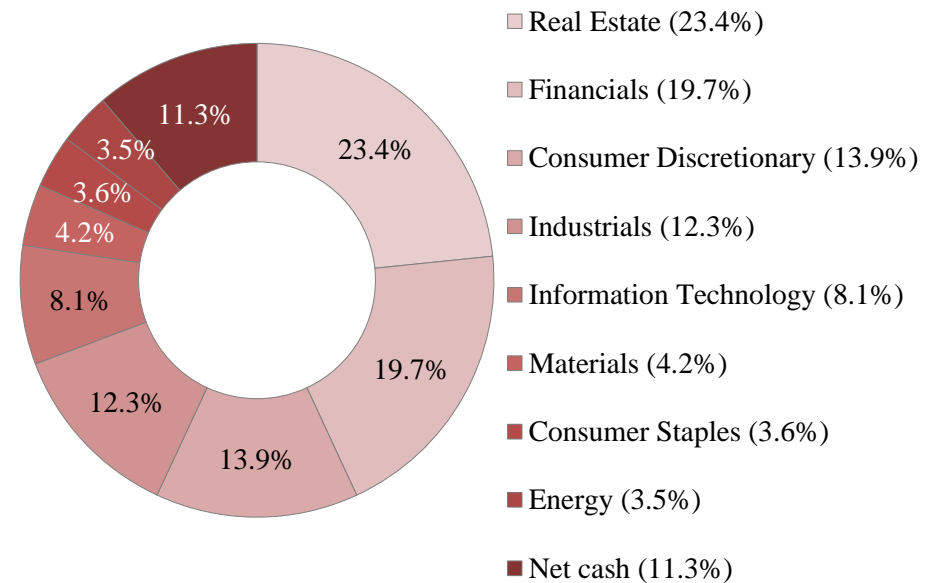
LVF Portfolio Update

Lumen Vietnam Fund portfolio construction based on strong company fundamentals and healthy earnings outlook

Top 10 Positions

FPT Corp	Information Tech.	8.1%
Nam Long Investment Corp	Real Estate	5.2%
Viettel Post Joint Stock Corp	Industrials	5.1%
Military Commercial Joint Stoc	Financials	5.0%
Vinhomes JSC	Real Estate	4.7%
Phu Nhuan Jewelry JSC	Consumer Discr.	4.4%
Power Construction JSC No.1	Industrials	4.3%
Hoa Phat Group JSC	Materials	4.2%
Dat Xanh Group JSC	Real Estate	3.9%
Kinh Bac City Development Shar	Real Estate	3.8%
Total		48.8%

Sector Allocation



Valuation (P/E)	2018	2019	2020F
LVF	11.2x	11.0x	11.2x
VNAS	12.6x	12.9x	12.3x
VNI	15.0x	15.8x	14.9x

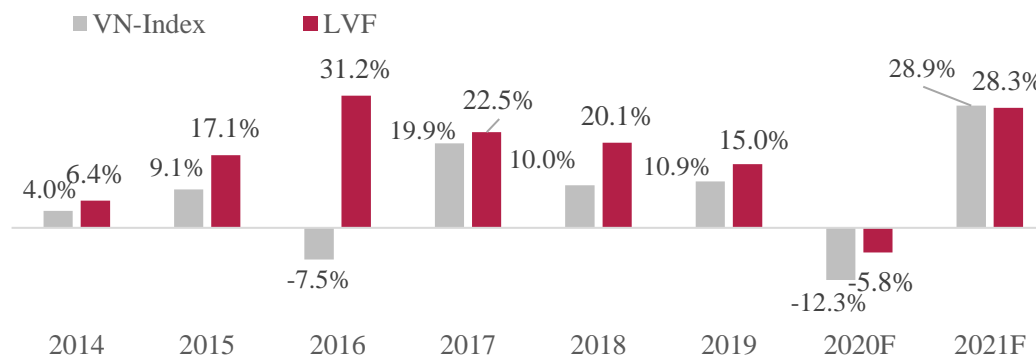


LVF portfolio review

Revised EPS growth for LVF portfolio, valuation looks very attractive

Sector	1Q2020 Earnings growth – actual result	2020 Earnings growth forecast	2021 Earnings growth forecast	2021PE
Consumer Discretionary	-44.7%	-44.6%	57.7%	13.20
Consumer Staples	-37.7%	-20.8%	31.3%	9.17
Energy	-25.5%	-35.0%	20.0%	7.19
Banks	20.0%	1.4%	15.8%	10.05
Financials	-4.4%	-11.7%	16.3%	11.25
Industrials	5.9%	7.3%	29.0%	15.33
Information Technology	14.0%	15.0%	19.0%	11.92
Materials	31.1%	35.0%	20.0%	9.09
Real Estate	-42.5%	-4.3%	27.2%	12.81
LVF portfolio	-14.2%	-5.8%	28.3%	9.36

Strong earnings recovery expected in 2021 - Superior EPS growth at reasonable valuation







Lumen Vietnam Fund – Outlook & Opportunities



Additional allocation after Kuwait leaving MSCI Frontier and FM 100

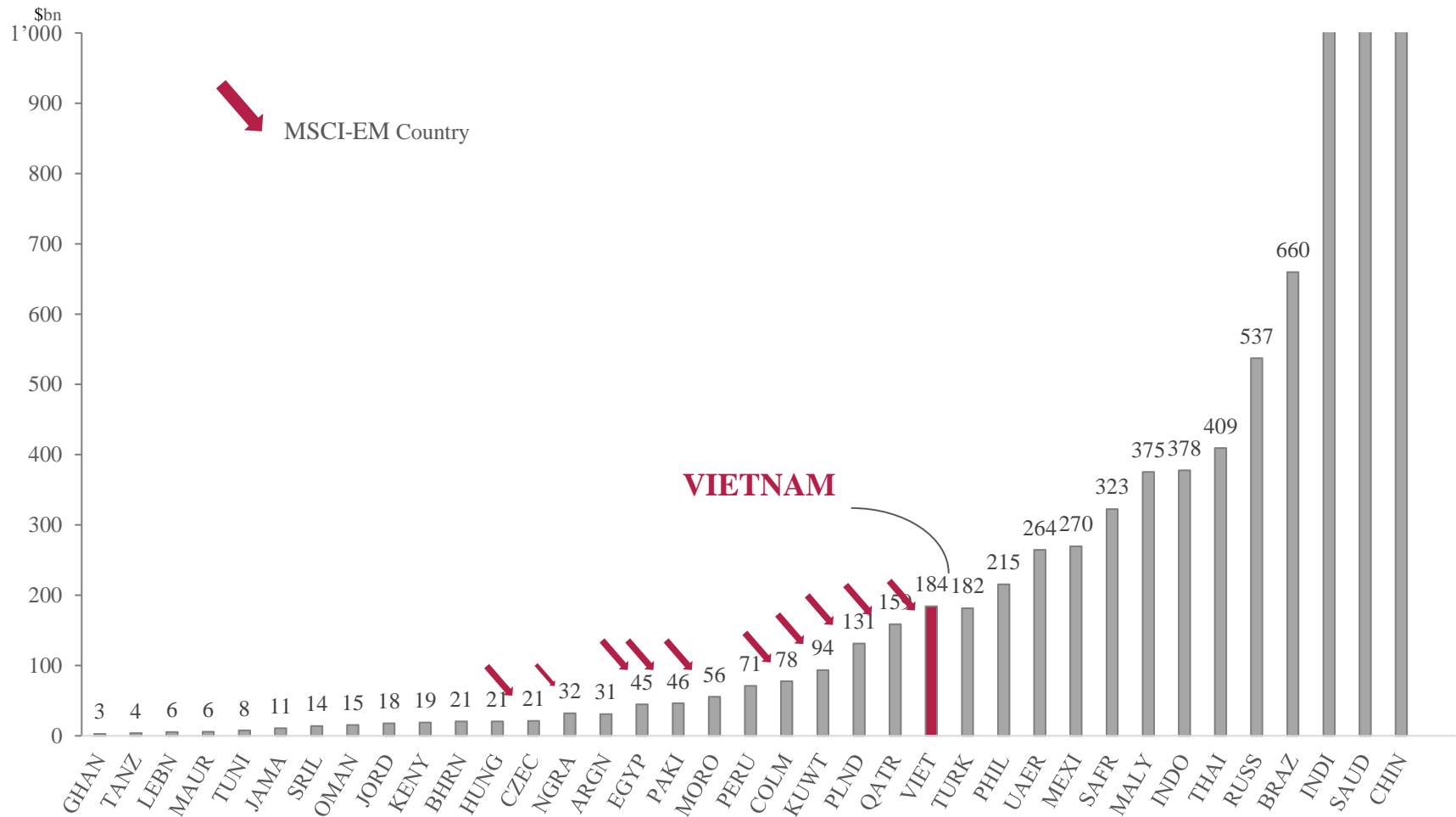
Estimation of foreign inflows into Vietnam Stock Market from passive funds

No	Fund	Current weight of VN stocks (%)	Invested value in VN stock market (US\$)	Expected weight of VN stocks after Kuwait leaving MSCI FM and FM 100 (%)	Expected invested value in VN stock market after Kuwait leaving MSCI FM and FM 100 (US\$)	Change (US\$)
1	ISHARES MSCI FRONTIER 100 ETF	12.01	46,809,369	29.13	113,535,131	66,725,762
2	SCHRODER ISF FRONTIER MARKETS EQUITY	15.93	128,894,505	22.87	185,208,520	56,314,015
3	FRANKLIN TEMPLETON INV TEMPLETON FRONTIER MKT	17.09	63,604,734	24.54	91,329,874	27,725,140
4	MSIF FRONTIER MARKETS PORTFOLIO	19.12	12,780,781	25.20	16,844,962	4,064,181
5	MAGNA UMBRELLA PLC MAGNA NEW FRONTIERS	28.82	91,872,609	28.82	91,872,609	-
6	BMO LGM FRONTIER MARKETS EQUITY FUND	2.90	1,834,792	4.16	2,634,573	799,781
7	COELI SICAV I-FRONTIER MARKETS FUND	25.00	29,773,708	25.20	30,011,898	238,190
8	EAST CAPITAL LUX-FRONTIER MARKETS FUND	19.34	34,073,662	25.20	44,397,946	10,324,284
9	T ROWE PRICE SICAV FRONTIER MARKETS EQUITY	26.86	36,712,902	26.86	36,712,902	-
Total			446,357,062		612,548,415	166,191,353



Market upgrade into FTSE EM and MSCI EM in a timeline of 2-3 years

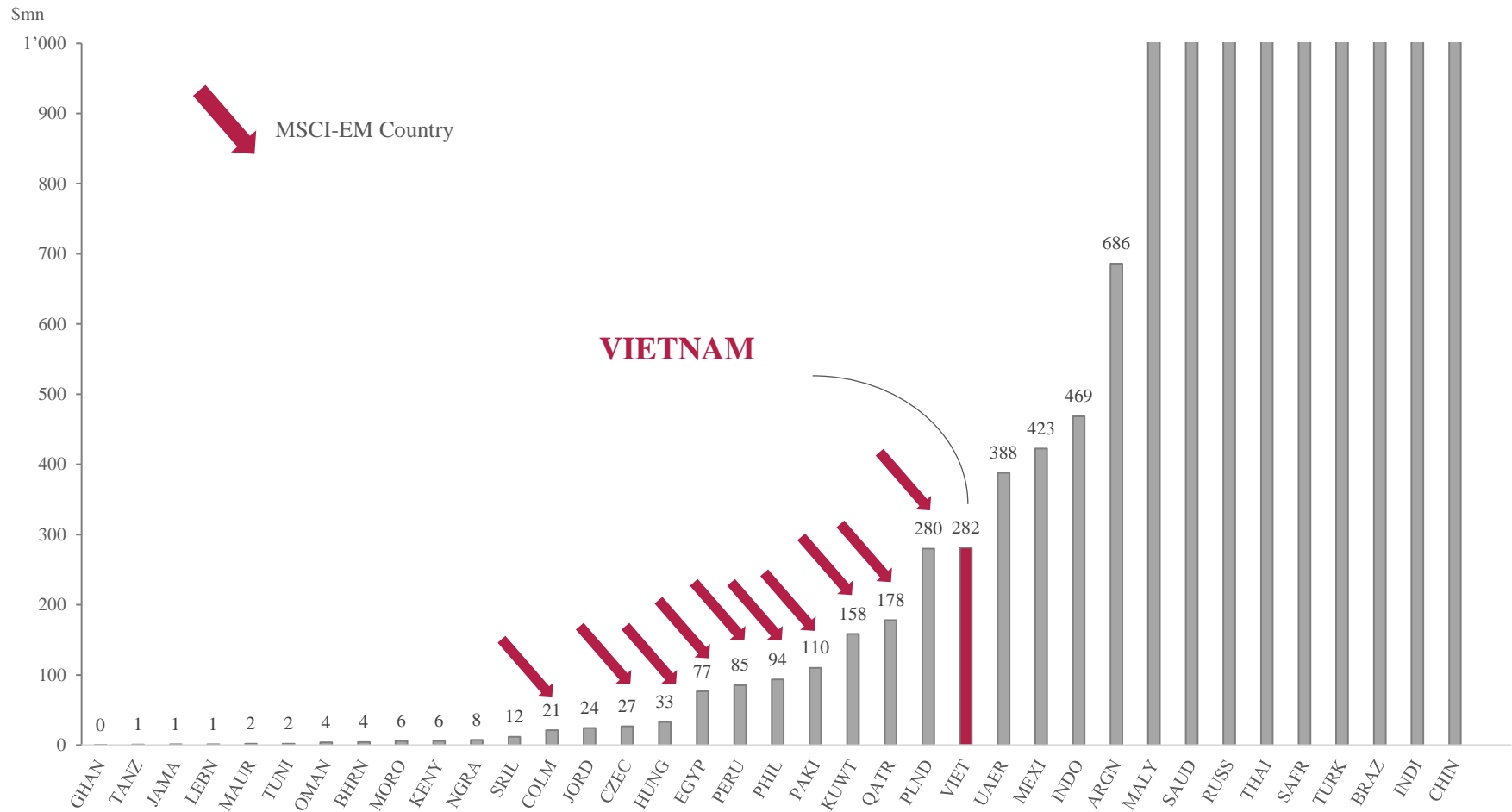
No longer a “frontier” by market size





Market upgrade into FTSE EM and MSCI EM in a timeline of 2-3 years

No longer a “frontier” by market liquidity



Market upgrade into FTSE EM and MSCI EM in a timeline of 2-3 years

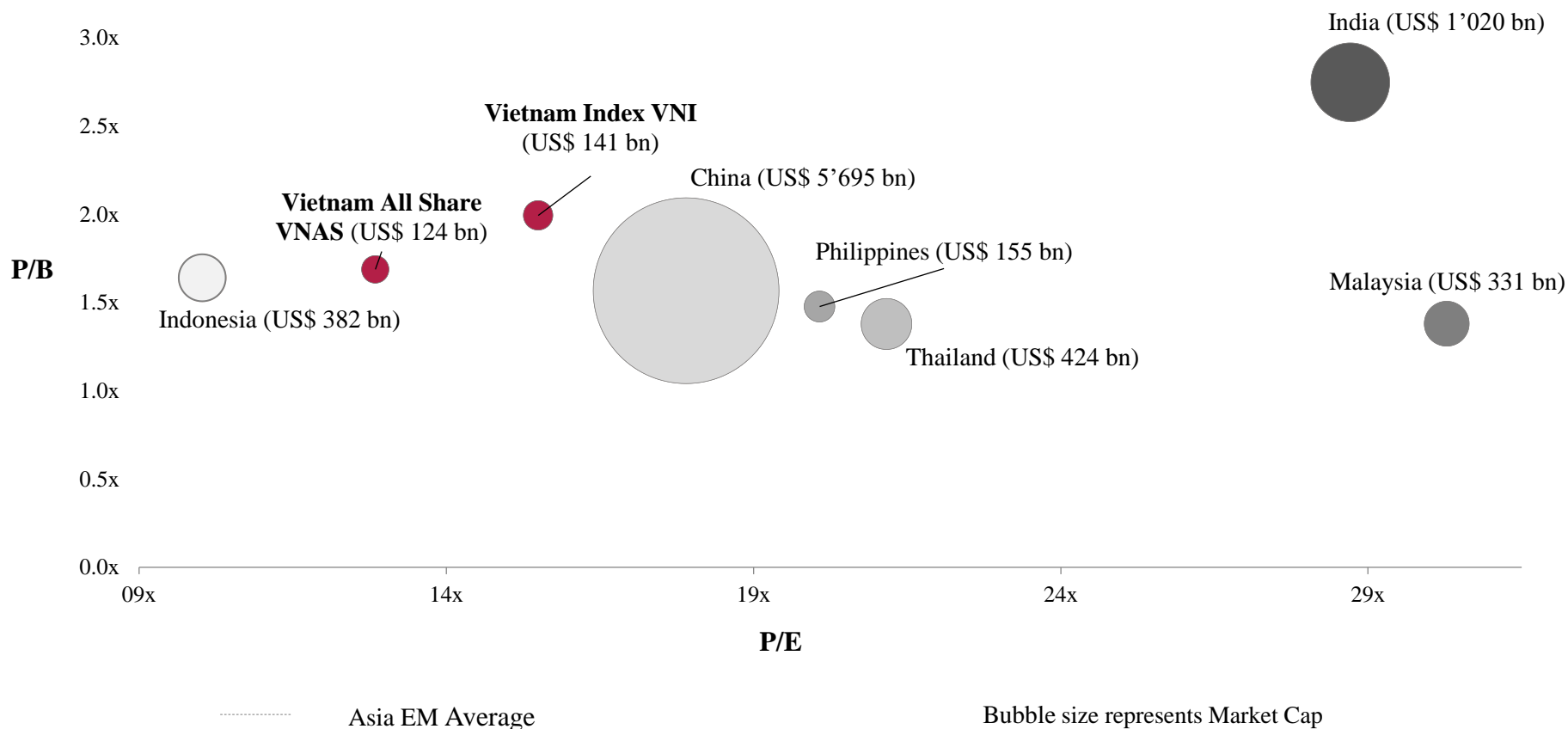
Necessary steps are executed to make it real

- ✓ New reforms such as the New Securities Law, Amended Investment Law, Amended Enterprise Law will enhance access for foreign investors
- ✓ Introduction of NVDRs in Enterprise Law and Securities Law
- ✓ New rules for share trading will increase market liquidity (pre-funding to be allowed)
- ✓ Major IT infrastructure upgrades within VSD and two main bourses, The Ho Chi Minh Stock Exchange (HSX) and the Ha Noi Stock Exchange (HNX) have been underway to execute pre-funding
- ✓ The new central clearing counterparty (CCP) platform will be implemented, and managed by VSD
- ✓ Draft decree to facilitate state-owned enterprise (SOE) IPOs and divestments



Regional Valuation – Vietnamese Equity Market with attractive Valuation

On an earnings per share basis Vietnam's equity markets trade at a discount to ASEAN peers







Q & A



Fund Terms

Lumen Vietnam Fund UCITS

Investment Universe	Securities in Vietnam
ISIN / Valor / WKN / Bloomberg	LI0148578169 / 14857816 / A1J057 / LUMEN VN
Fund Type / Inception date	Open-end / Active management / March 2, 2012
Base Currency	USD
Distribution	Liechtenstein, Germany, Austria, Switzerland
Fund Size	USD 66.4 Million*
NAV Daily	USD 200.22*
High / Low since Inception	USD 231.82 / USD 89.19
Volatility	28.39%**
Number of Stocks in Portfolio	26*
Distribution	Reinvestment
Representative agent	LLB Swiss Investment AG, Zurich
Paying agent	Helvetische Bank AG, Zurich



Investment Tranches

Lumen Vietnam Fund UCITS	Retail Share Class	Institutional Share Class
Management Fee	2%	1.50%
Front Load	NAV	NAV
Performance and Redemption Fee	0%	0%
Subscription	Daily	Daily
Minimum Investment	1 unit	3 million USD/CHF/EUR

Share Classes	ISIN	Valor	WKN	Bloomberg
Retail				
EUR	LI0334507485	33.450.748	A2AQSF	LUMENEU LE
CHF	LI0334507477	33.450.747	A2JAPN	LUMENCH LE
Institutional				
USD	LI0408681091	40.868.109	A2JH90	LUMENUS LE
CHF	LI0408681117	40.868.111	A2PVW6	LUMCHFI LE
EUR	LI050070893	50.070.789	A2PSDZ	LUMEURI LE



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