TIM Vietnam Actively Managed Certificate

Certificate Unit Price

USD 213.47 As of March 31, 2025

Dealing Contact

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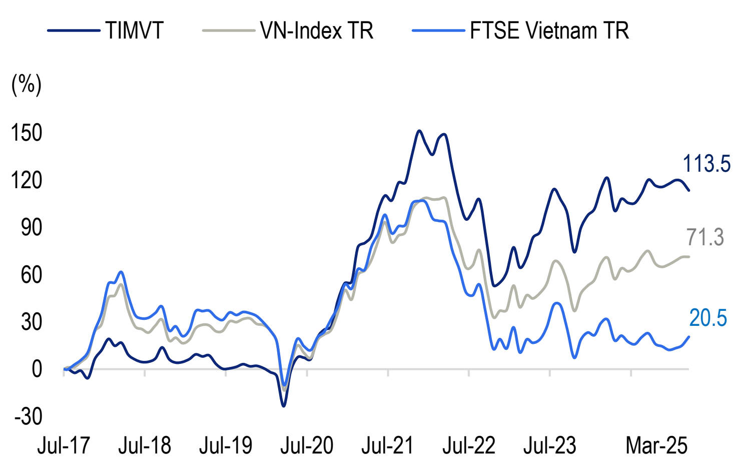
ISIN: CH0374214515

Actively Managed Certificate that offers investors 100% participation in fundamentally sound and fast-growing Vietnamese companies	Swiss strategy manager with a 15-year investment track record and a local presence in Vietnam	Daily liquidity with Helvetische Bank AG as market maker

Net Performance Since Inception in USD



Certificate Facts

Type	Open-end Dynamic Tracker Certificate
Currency	US Dollar
Min. Investment	USD 100
Mgmt-/ Admin Fee	1.0% / 0.5%
Performance Fee	10% with High Water Mark (HWM)
ISIN	CH0374214515
Issuer	Helvetische Bank AG
Inception	14 July 2017
Reference Index	FTSE Vietnam Index
Strategy Manager	Turicum Investment Management AG
Market Maker	Issuer with 0.5% spread
Clearing Institution/ Clearing Code	SIX SIS AG/ CH116589

Net Performance in USD

All in USD (%)	YTD	1-month	3-month	6-month	1-year	3-year	5-year	Since inception
TIM VN	-1.9	-2.6	-1.9	-3.1	-3.4	-14.0	179.3	113.5
FTSE VN TR	7.4	4.8	7.4	-1.8	-8.1	-37.4	33.9	20.5
VN Index TR	2.9	0.1	2.9	-2.1	0.5	-17.7	97.4	71.3

For monthly performance since inception, please refer to the last page

Certificate Activities

In March, the portfolio's NAV fell 2.6%, trailing the reference index, the FTSE Vietnam Index, which rose 4.8%. The underperformance was mainly due to the surge in Vingroup-related stocks, which comprise 20% of the reference index. Year-to-date, the portfolio declined 1.9%, while the reference gained 7.4%.

The release of Trump's "reciprocal tariff" table on 2 April—imposing a 46% rate on Vietnam—triggered a broad-based correction in both the VN-Index and the portfolio, resulting in a marked difference in current performance compared to end-March. However, we believe the direct impact of the proposed tariff on the portfolio companies is minimal, as the majority of our investee companies are focused on the domestic market rather than on export- or FDI-driven businesses.

Dong Hai Ben Tre JSC (DHC, -8.7%) was the main laggard in March. The company's conservative 2025 earnings guidance of a flat year-on-year bottom-line dampened the stock price sentiment. However, we maintain a positive outlook for DHC's 2025 performance, supported by an improvement in gross margin following the lower OCC prices thanks to lower shipping costs which is a result of eased geopolitical tensions in the Red Sea and higher fleet from orders during COVID time. And the expansion project finally got investment license after much delay. Construction is about to start in Q3/2025. In the last few days, we also see insiders registered to buy shares.

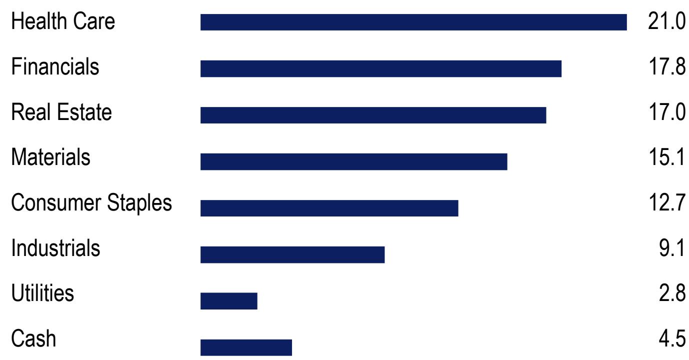
On the other hand, Vinhomes JSC (VHM, +24.5%) was the top performer in March, driven by major legal progress on several projects. The stock had been under pressure for an extended period of time due to heavy foreign selling. However, with positive developments in VHM's mega projects and growing clarity around a potential FTSE Emerging Markets upgrade— VHM holds an 8.9% weight in FTSE Vietnam Index—capital inflows have started to return. Techcombank (TCB, +5.3%) ranked second, supported by optimism over a gradual real estate recovery. In March, TCB also announced plans to enter both life and non-life insurance, aiming to boost long-term fee income by leveraging its customer base of over 15 million.

As of the end of March, the portfolio trades at a 2025F P/E ratio of 11.1x and at a P/B ratio of 1.5x.

Top 5 Holdings

Ticker	Company Name	% Portf
DBD	Binh Dinh Pharmaceutical	11.4
TCB	Vietnam Technological and Commercial JS Bank	11.1
DHC	Dong Hai JSC of Bentre	10.1
BMP	Binh Minh Plastics JSC	9.1
TNH	TNH Hospital Group JSC	7.9

Sector Allocation (%)



Valuation (*)

	P/E (x)			EPS Growth (%)		
	2024	**2025F**	**2026F**	**2024**	**2025F**	**2026F**
TIM VN	13.2	11.1	9.3	0.2	18.1	19.3
FTSE VN	16.5	14.6	12.6	22.4	13.1	15.8
Top 100	13.1	11.3	9.7	19.5	15.9	16.8

	P/B (x)			Dividend Yield (%)		
	2024	**2025F**	**2026F**	**2024**	**2025F**	**2026F**
TIM VN	1.6	1.5	1.4	3.6	4.2	4.8
FTSE VN	1.7	1.5	1.4	1.3	1.6	1.9
Top 100	1.8	1.6	1.4	1.8	1.9	2.1

(*) Multiples are calculated using the aggregated method.

Statistics (**)

Key metrics	TIM VN	VNI-TR	FTSE
Sharpe ratio (x)	-0.26	-0.34	-0.60
Info ratio vs. Reference (x)	n/a	0.20	0.77
Alpha vs. Reference (%)	n/a	0.93	5.27
Beta vs Reference (x)	n/a	0.95	0.76
Ann. Standard dev (%)	21.88	21.30	25.31

(**) Portfolio statistics are calculated in 3-year period

Vietnam's Update – Economy

Vietnam ended the first quarter with strong economic indicators, reflecting positive momentum in the domestic economy supported by the government's proactive and tangible policy measures. The recent announcement of a 46% "reciprocal tariff" on Vietnam by President Donald Trump has however introduced a new development to monitor. As negotiations are still ongoing, it is too early to assess the full implications. We will share updated economic projections in our next monthly report.

Q1 GDP grows 6.9%, the highest in 5 years. The agricultural sector maintained solid growth of 3.7%, supported by stable crop harvests, steady timber output, and particularly strong gains in aquaculture. Industry and manufacturing grew by 7.4%, driven primarily by manufacturing and construction. While March's PMI reached an expansionary 50.5, uncertainties in global trade may lead to a temporary slowdown in the coming quarters. In contrast, construction is expected to accelerate due to a more aggressive push in infrastructure investment. The services sector expanded by 7.7%, fueled by a 29.6% y/y increase in international tourist arrivals (reaching 6 million), and a gradual rebound in domestic consumption, contributing to a 9.9% rise in retail sales.

Inflation remains under control. The CPI rose 3.1% y/y, mainly driven by a 3.8% increase in food prices and a 14.6% surge in healthcare costs, following government price adjustments and seasonal flu. Higher pork prices and increased costs of eating-out services were key contributors to food inflation, although a 20% year-to-date drop in rice prices helped offset some of the pressure. Meanwhile, a 4% decline in transportation costs—due to reduced post-Tet travel demand and lower oil prices—also helped keeping inflation at manageable levels.

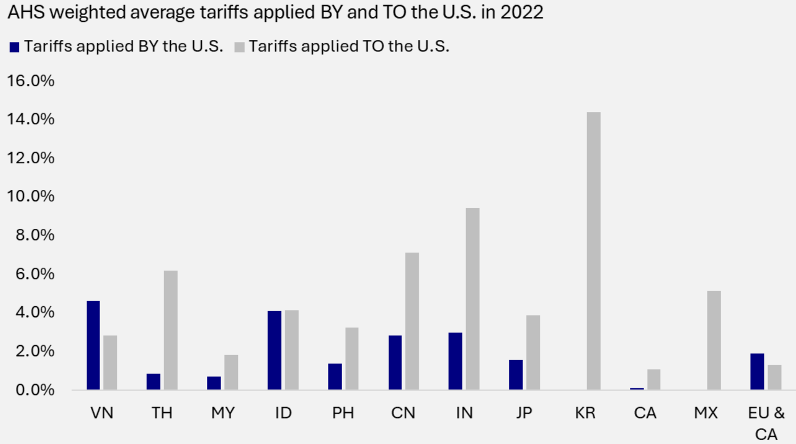
FDI and trading activities maintained growth momentum. Total FDI registrations reached nearly $11 billion, up 34.7% y/y, while actual disbursements increased 7.2% to $4.9 billion. Brazilian meatpacker JBS S/A announced a $100 million investment to build two new plants in Vietnam, focusing on beef, pork and poultry. Regarding trading activities, exports and imports grew 10.6% y/y and 17.0% y/y respectively, recording the trade surplus of $3.2bn.

Strengthening global partnership. In early 2025, Vietnam elevated its relations with New Zealand, Indonesia, and Singapore to a Comprehensive Strategic Partnerships (CSP)—the highest diplomatic tier. With these additions, Vietnam now holds a CSP status with 12 countries. The country also welcomed the visits of Singapore's Prime Minister and Brazil's President in March, where bilateral deals and supports have been agreed. By strengthening its global network, Vietnam aims to diversify trade flows, reinforcing its position in an evolving global landscape.

Negotiations on "reciprocal tariff" are starting. In early April, President Trump unveiled a "reciprocal tariff" table using an unconventional calculation method, resulting in a 46% tariff on Vietnam. We view that more as a negotiation tactic as the tariffs that two countries have applied on each other are not much different, and Trump's purpose was to address the trade deficit between US and Vietnam. Vietnam's Deputy Prime Minister is visiting the US for negotiations, and some transactions that are based on recent MOUs are expected to be executed in the next few days. Vietnam also asked for a 45-day delay in the imposition of U.S. tariffs. While it is still too early to fully assess the impact, exports and FDI disbursement may face near-term headwinds. General Secretary To Lam and President Trump also held a phone call, which Trump described as "very productive," though relying on hopes alone may not be a sound strategy. That said, Vietnam has built a diversified trade portfolio, supported by 17 FTAs covering 80% of global GDP (excluding the US), providing access to alternative export markets. It's also worth noting that these could ultimately burdens US consumers, and given the US goal of containing China's rise, Vietnam's strategic location and its role in global supply chains may not be something the US is willing to forfeit.

Before Trump's "liberation day", Vietnam – U.S. tariffs are not unfair

AHS weighted average tariffs applied BY and TO the U.S. in 2022



Source: World Integrated Trade Solution

Note: AHS weighted average tariffs is the average of tariffs weighted by their corresponding trade value

Amid global uncertainties, the government is pushing the domestic economy. Investment from the government budget increased by 19.8% y/y. Major investment projects are receiving unprecedented attention from the government with significant amounts of resources allocated. The Prime Minister visited the Long Thanh International Airport again in March, the third time in 4 months. The new terminal of the Tan Son Nhat airport is set to open by the end of April, 3 months ahead of schedule, increasing the existing capacity by 40% to 50 million passengers annually.

Vietnam's Update – Stock Market

The VN-Index was flat in March, closing the first quarter of 2025 with a total return of 2.9%. The market gained momentum in the first half of March, supported by strong macro data for January–February and by the Ho Chi Minh Stock Exchange's (HOSE) announcement of tests of the new KRX system. However, sentiment weakened toward the month-end amid rising uncertainties over global trade, geopolitical tensions, and a $428 million net foreign outflow. Liquidity remained encouraging, with the average daily trading value reaching $817 million, up 31% from the previous month.

The real estate sector led the gain, while other sectors lagged. The real estate sector rose 18.1%, driven by an uptick in new supply and strong public investment in infrastructure. However, performance was largely concentrated in Vinhomes (VHM) and Vingroup (VIC). The stock prices of both companies have been depressing for a long time due to persisting foreign selling pressure. VHM was oversold as the stock traded at a 2025F P/B of 0.8x in February and now it finally seems to return to its book value. We continue to see more upside. The company is well-positioned to benefit from Vietnam's infrastructure push and enhanced inter-regional connectivity. VIC's recent rally was fueled by positive developments at its subsidiaries (Vinhomes got major legal progress on some projects, while its hospitality arm is planning for a listing), but we remain cautious on its outlook as the auto segment continues to face headwinds. On the other hand, the majority of other sectors witnessed a correction, in which technology and energy saw the most significant declines with setbacks of 13.3% and of 8.2%, respectively.

Vietnam is on track for Emerging Market recognition. FTSE Russell is currently gathering investor feedback to assess the implementation process. While some operational concerns remain, upcoming reports are expected to underscore the significant progress made by Vietnam's regulatory authorities. We retain our expectation that Vietnam will be upgraded in September 2025, and this could attract $5-6 billion foreign inflow, according to FTSE Russel's representative.

A sharp drop in early April – opportunities are now. Despite the positive momentum in March, the unexpected tariff announcement triggered a broad-based correction in the Vietnamese stock market, affecting stocks across the board regardless of fundamentals. With retail investors accounting for over 80% of trading volume, short-term panic selling was inevitable. However, firms directly tied to FDI, and exports make up only 13% of the VN-Index's market capitalization. This presents opportunities amid the turmoil, especially in defensive, domestically focused sectors—many of which offer dividend yields between 7–10%. While it will take time to fully assess the earnings impact, the correction has pushed the VN-Index to an extremely attractive valuation, with a 2025F P/E of 9.8x.

Monthly Net Performance in USD

(%)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017						0.0	0.3	-2.6	1.4	-4.7	12.7	5.4	**12.1**
2018	6.4	-3.6	1.6	-6.5	-2.8	-1.5	0.2	2.0	6.5	-6.5	-2.1	0.4	**-6.7**
2019	1.8	2.8	-1.2	0.6	-5.1	-2.9	0.2	1.0	1.6	-1.3	0.3	-1.5	**-3.8**
2020	-2.6	-2.7	-19.9	28.2	9.5	0.0	-0.8	12.9	4.1	1.6	12.9	7.7	**53.6**
2021	0.7	14.0	1.5	2.5	8.8	4.6	-1.5	5.5	0.0	8.2	6.3	-3.3	**57.2**
2022	-2.8	4.4	0.7	-8.5	-8.7	-6.0	2.8	3.4	-12.2	-15.7	0.9	4.3	**-33.5**
2023	9.7	-7.2	3.8	7.4	2.2	7.8	6.1	-3.1	-4.2	-12.3	8.7	4.2	**22.3**
2024	2.2	6.2	3.2	-9.2	3.7	-1.2	0.0	3.0	4.0	-1.7	-0.4	0.9	**10.2**
2025	1.1	-0.4	-2.6										**-1.9**

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