

The Fund Manager writes

Despite the complex development of the global economy, Vietnam recorded impressive economic results in 2018. The national gross domestic product (GDP) grew by 7.08 percent, the highest level since 2008, while the inflation rate remained modest at 3.54 percent. Vietnam maintained its trade surplus and kept public debt lower than the target set by the National Assembly. Due to new listings the country's stock market capitalization rose 10.6 percent against 2017 to nearly 167.7 billion USD, equivalent to 70.2 percent of the GDP.

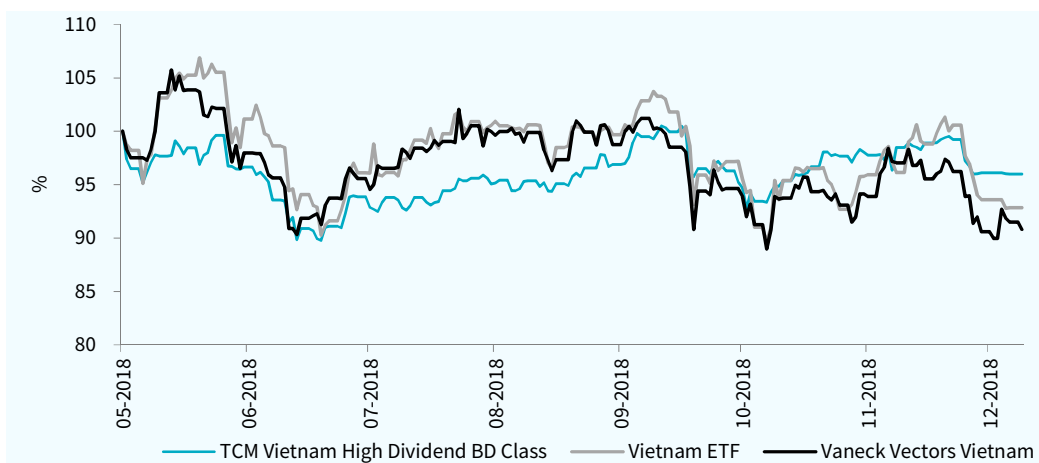
With this performance, The Finance Ministry announced the stock market has proven its role as an effective capital mobilization channel of both the Government and private enterprises and also added that the Vietnam's stock market has been seen as the most successful one in Southeast Asia in this regard.

The Vietnam Stock Exchange is expected to be established under the Prime Minister's decision on the basis of the rearrangement of the HNX and the Ho Chi Minh Stock Exchange, all to make the step towards an Emerging Markets status in the near future.

Although the Vietnamese markets weren't immune for the US-China trade conflict, they managed to outperform Emerging and Frontier markets benchmarks by 5% or more. The TCM Vietnam fund ended the year with a negative performance of 3.53% outperforming all the relevant indices. Especially during the last 3 months of the year the fund managed to outperform the Vietnam ETF by almost 7%.

Although the Vietnam indices can't be regarded as a bargain with a valuation of 20x P/E and a Price to Book ratio of 2.95, we still argue that the rest of the markets in small and midcaps offer a variety of opportunities for the high dividend and more value oriented investor. By the end of 2018 the TCM Vietnam High Dividend portfolio showed a P/E of 9x and a Price to Book of 1.24 (sources Bloomberg and TCM). The underlying dividend yield amounts to 6.5%.

Fund Performance



Return in euro*	1 mnth	3 mnths	2018**	Since start**
TCM Vietnam High Dividend Class BD	-2,52%	-3,53%	-4,01%	-4,01%
Vietnam ETF	-3,42%	-9,75%	-7,16%	-7,16%
Vaneck Vectors Vietnam	-6,42%	-10,29%	-9,19%	-9,19%

* Based on Total Return (Bloomberg data)

** Data is from inception of the fund: 24-05-2018

Fund Profile

The fund invests in listed Vietnamese companies or investment funds focused on Vietnam, which can be regarded as a Frontier Market at an early stage of economic development, with an attractive dividend yield. The fund primarily aims to generate a long-term return in excess of the benchmark, the FTSE Vietnam Total Return Net Index, comprising capital gains or losses plus net dividend. The equally weighted portfolio will be re-weighted and re-allocated on a periodically scale. The risk profile is high, due to investments in equities and Frontier Markets.

TCM Vietnam High Dividend Equity (Lux)

Strategy: High Dividend Equity

Universe:
Vietnam

Benchmark: FTSE (Total Return)

ESG: UN Global Compact and Controversial Weapons (screening by Sustainability)

Status: UCITS

Structure: Open-end

Domicile: Luxembourg

Inception Date: 24 May 2018

Currency: EUR

Total Fund size: € 6.6 million

Management Company:
Novacap Asset Management S.A.

Investment Manager:
Trustus Capital Management B.V.

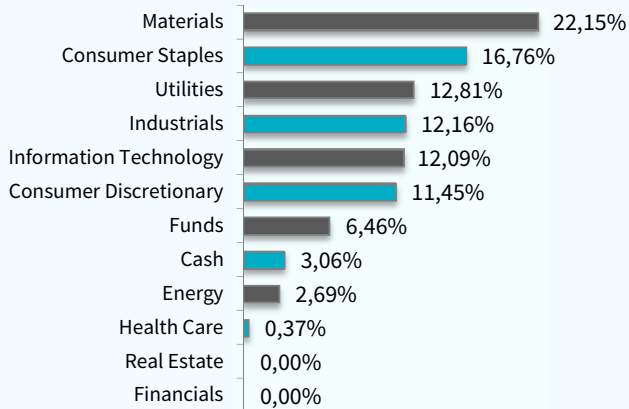
Fund Management:
Frontier Markets Team
Wytze Riemersma
Marco Balk

Custodian:
Caceis Bank Luxembourg Branch

Paying Agent:
Caceis Bank Luxembourg Branch



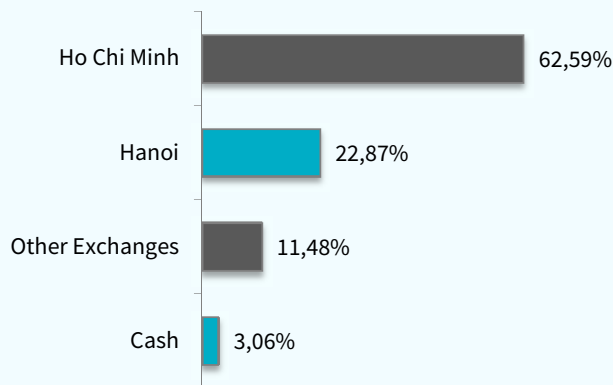
Sector Allocation



Top 10 Holdings

Position	Weighting
Vietnam Phoenix Fund Class C	6,46%
Petrovietnam Nhon Trach 2 Po	6,11%
Digiworld Corp	5,56%
Fpt Corp	5,56%
Masan Consumer Corp	5,02%
Sao Ta Foods Jsc	4,85%
Pha Lai Thermal Power Jsc	3,85%
Tng Investment & Trading Jsc	3,83%
Hatien 1 Cement Jsc	3,68%
An Phat Plastic And Green En	3,54%
Total weightings Top 10	48,46%

Exchange Allocation



Fund Characteristics

Characteristic	Fund
Number of Positions	39
Dividend Yield in %*	6,53
Price/Earnings Ratio*	9,03
Price to Book Ratio *	1,24

* source: Bloomberg/TCM

Subscription information

	A Class Accumulation	AD Class Accumulation
Minimum subscription	EUR 5.000	EUR 5.000
Additional subscription	EUR 200	EUR 200
Subscription frequency	daily	daily
Redemption frequency	daily	daily
Subscription Fee	up to 0.5%	up to 0.5%
Redemption Fee	up to 0.5%	up to 0.5%
Conversion Fee	up to 0.25%	up to 0.25%
Investor Restriction	no restrictions	investors located in the Netherlands
Dividend pay-out	No	No
Investment Management Fee	2% per annum	2% per annum
Performance Fee	10%	10%
Global Distribution Fee	up to 1%	No (so called clean share class)
ISIN Code	LU1730853972	LU1730854194
Bloomberg ticker	TCMVM A LX	TCMVN AD LX

Sustainability

TCM has entered into an agreement with Sustainalytics for the screening of the portfolios of the TCM equity funds on ESG criteria (UN Global Compact and Controversial Weapons).



Disclaimer

TCM Vietnam High Dividend Equity (Lux) is a sub fund of TCM Investment Funds Luxembourg, domiciled in Luxembourg. The fund is authorized in Luxembourg and is regulated by the Commission de Surveillance du Secteur Financier. The information in this document provides insufficient information for an investment decision. Please read the Key Investor Document and the prospectus. These documents as well as annual report, semi-annual report and the articles of incorporation of the fund are available free of charge at the registered office of the fund located at 5, Allée Scheffer, L-2520 Luxembourg and on the website www.tcminvestmentfunds.com. The value of your investment may fluctuate. Past performance provides no guarantee for the future. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units.

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