

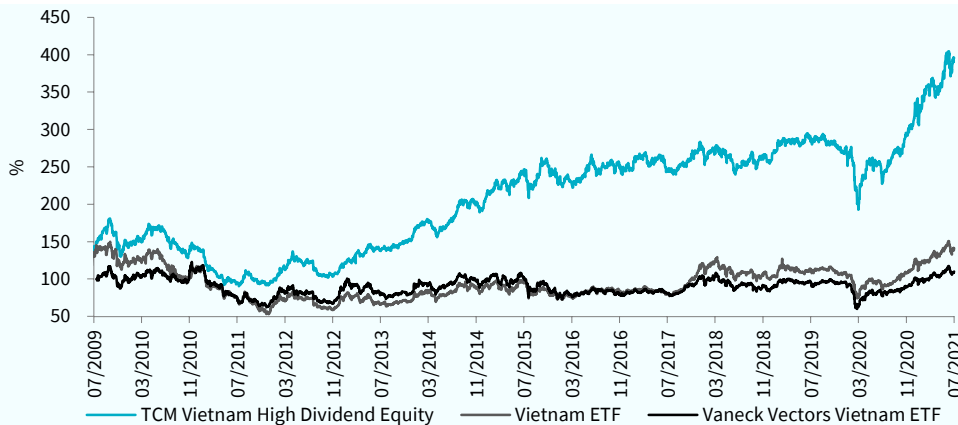
The Fund Manager writes

The VN-Index fell sharply by 6.7% in July. The decline was broad-based as almost 75% of stocks ended the month lower. Another Covid sell-off and some nervousness about the valuation levels of certain sectors (Banks and Real Estate) were the main causes of the steep decline. Banks and Real Estate were hit the hardest, but some sectors managed to outperform the market substantially. IT (+7.9%) and Consumer Discretionary (+3.1%) and Consumer Staples (+0.5%) ended the month on a positive note. The TCM Vietnam High Dividend Fund outperformed the benchmark ETF by more than 4% and the broader market by 5.8%, with a return of -0.93% during the month of July. Mostly the underweighted position in Banks and Real Estate was contributing to the outperformance. Looking at the published Q2 earnings, the general impression is a positive one. Most sectors continued to show positive earnings growth, except for some Real Estate and Industrial companies.

Surprisingly, foreign investors were net buyers (\$219mn) during the selloff in July. Foreign investors withdrew \$1bn so far this year. Except for a small inflow in April, it is the first time since October 2020, the market saw inflows from foreign investors. This turnaround, as we have stated before, could be a very positive driver for the Vietnamese markets going forward.

The fund holds 32 positions across a number of sectors at the end of July 2021. The average TCM Vietnam portfolio P/E is at 11.4 and the dividend yield currently amounts to 4.6%. The fund is tilted towards higher dividend paying ("value") companies in the mid- and small cap area. Industrials and Consumer Staples are the main sectors weighting 22.5% and 15%. Within these sectors we currently find the most high dividend stocks which meet our criteria. The weighting of a sector in the fund depends mainly on the relative attractiveness of a stock/sector versus other stocks/sectors. The fund allocation can therefore deviate strongly from the Vietnamese benchmark indices.

Fund Performance



Return in euro*	1 mnth	3 mnths	2021	2020	2019	2018	2017	Since start**
TCM Vietnam High Dividend	-0.93%	13.82%	29.22%	12.84%	4.79%	-3.53%	9.65%	295.58%
Vietnam ETF	-5.04%	9.33%	24.73%	6.98%	5.14%	-6.65%	32.02%	41.46%
Vaneck Vectors Vietnam	-6.04%	5.18%	15.23%	0.89%	11.41%	-12.69%	21.55%	9.81%
Ho Chi Minh Stock Index	-6.69%	8.98%	23.92%	7.83%	11.96%	-4.85%	34.00%	426.41%
Hanoi SE Equity Index	-2.32%	15.14%	61.92%	86.21%	2.65%	-5.93%	31.79%	312.01%
Dong	0.08%	2.37%	3.52%	-8.54%	2.00%	2.74%	-13.62%	-16.24%

* Based on Total Return (Bloomberg data) ** Data is from inception of the fund: 12-01-2009

Fund Profile

At least half of the fund capital will be invested in listed shares on the exchanges of Ho Chi Minh City and Hanoi. At the most 20% of the fund can be invested in the Vietnamese OTC market. This depends on the liquidity of this market. TCM Vietnam investment policy will be aimed at achieving capital growth as well as dividend pay outs. The risk profile is high, due to investments being channelled into frontier markets in Vietnam. The relationship between global financial markets and the Vietnamese markets is low, because the latter are less sensitive to international developments. To achieve its objective, the Fund invests 95% to 100% of its total assets through TCM Investment Funds Luxembourg in units of TCM Vietnam High Dividend Equity (Lux). The Fund qualifies as feeder-structure.

Morningstar Rating™



(3 years, 31-07-2021)

Net Asset Value: € 24.56

Share Price: € 24.56

Total Net Assets: € 7.4 million

Number of Shares: 299,992

Start Date: 12 January 2009

Structure: Open end

Aim: high dividend income as well as long term capital appreciation

Dividend: ± 4% per annum, payable at least once a year

Latest Dividend:

2021-05: € 0,75 gross dps

(for historical dividends see website)

Management Fee: 1.5% per annum

Performance fee: 10%

(these costs will only be charged at the level of the Master fund in Luxembourg)

Ongoing Charges Figure:

2.90% (Budget 2021)

Benchmark: FTSE Vietnam Index TR

(this is the benchmark of the Master fund in Luxembourg)

ISIN Code: NL0006489189

Bloomberg Ticker: TCMVN NA

Trading:

The fund is listed on Euronext, which means that the fund can be traded on trading days through any bank or broker. On trading days the fund will sell shares against NAV with a positive deviation of 0.5% and buy back against NAV with negative deviation of 0.5%.

Managing Company:

TRUSTUS Capital Management

Fund Management:

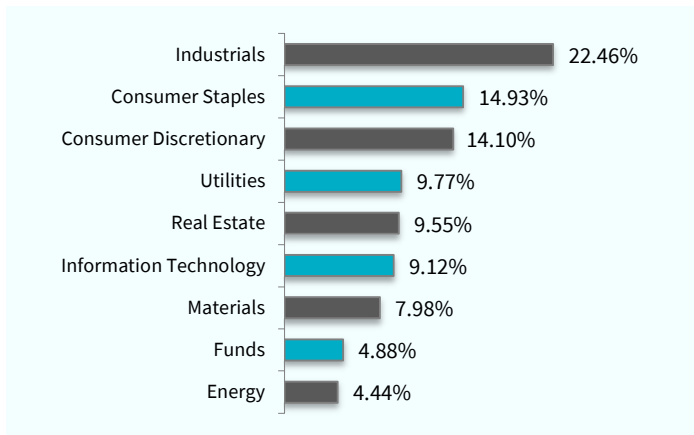
Frontier Markets Team:

Wytze Riemersma

Marco Balk



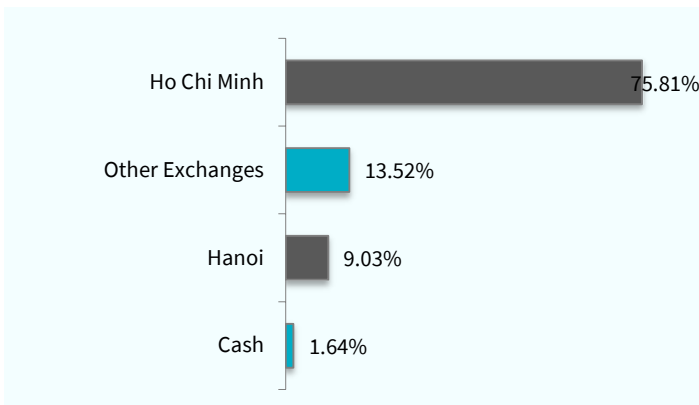
Sector Allocation



Top 10 Holdings

Position	Weighting
Fpt Corp	8.38%
Hai An Transport & Stevedori	6.06%
Hoa Phat Group Jsc	5.22%
Song Hong Garment Jsc	5.15%
Vietnam Holding Ltd	4.88%
Danang Rubber Jsc	4.52%
Petrovietnam Transportation	4.44%
Tng Investment & Trading Jsc	4.43%
Vietnam Engine & Agricultura	4.32%
Sao Ta Foods Jsc	4.14%
Total weightings Top 10	51.54%

Exchange Allocation



Fund Characteristics

Characteristic	Fund
Number of Positions	32
Dividend Yield in %*	4.61
Price/Earnings Ratio*	11.40
Price to Book Ratio *	2.13
* source: Bloomberg/TCM	

The above data refers to the underlying portfolio of the master fund in Luxembourg in which the Dutch feeder fund invests for 95% to 100%.

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).



Morningstar

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