

The Fund Manager writes

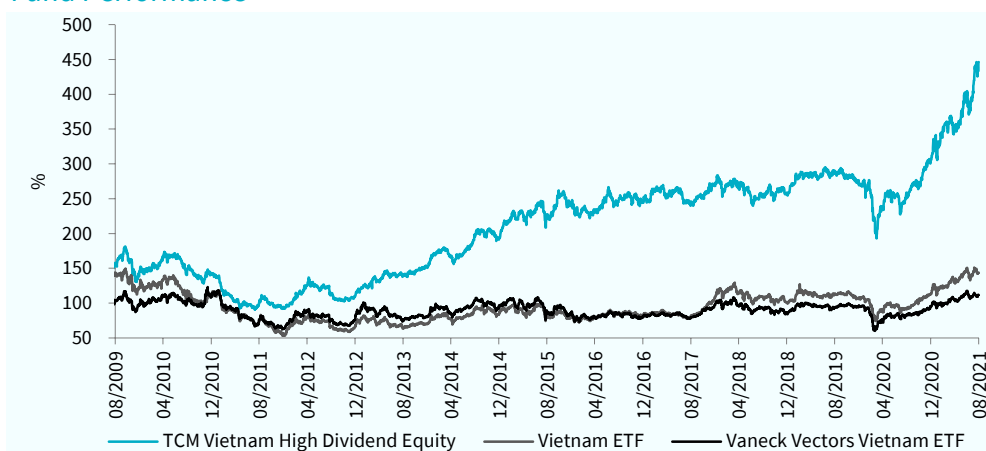
The VN-Index ended the month 2.9% higher, measured in euro. It was a very volatile month, where Covid-19 news made up most of the headlines. The Financial sector, accounting for 36% of the index, was the only sector to report negative returns in August as 14 out of 16 bank stocks suffered losses during the month. The TCM Vietnam High Dividend Fund experienced a very strong return as the portfolio gained 12.8%, outperforming the major benchmarks by more than 10%. Since the fund is underweighted in Financials and Real Estate (another underperforming sector this month) and other sectors like Healthcare (+17.5%), Materials (+11.9%), Industrials (+11.8%) and Communication (+9.1%) performed well, the outperformance grew strongly. Also the fact that rotation from large to midcap (i.e. rotation to value) is taking place, contributed to the return.

During the month of August, Vietnam received 9.4 million doses of vaccine from AstraZeneca and Pfizer. The vaccination progress is speeding up, especially in Ho Chi Minh City, where almost 86% of the people older than 18 have been vaccinated with 1 dose. Nationwide the picture is quite different, currently 20.1% of Vietnam's population received at least one dose of vaccine. The Vietnamese government announced it will import 170 million doses of vaccine, most of them will be delivered in the second half of the year.

According to the government, FDI disbursement grew by 2.0% to \$11.6bn during the first 8 months of the year. New registered FDI reached \$19.1bn, down 2.1%, versus a year ago.

The fund currently holds 33 positions across a number of sectors at the end of August 2021. The average TCM Vietnam portfolio P/E is at 11.4 and the underlying dividend yield currently amounts to 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 14.9%. Within these sectors we currently find the most high dividend stocks which meet our criteria.

Fund Performance



Return in euro*	1 mnth	3 mnths	2021	2020	2019	2018	2017	Since start**
TCM Vietnam High Dividend	12.83%	23.27%	45.79%	12.84%	4.79%	-3.53%	9.65%	346.32%
Vietnam ETF	1.42%	4.50%	26.50%	6.98%	5.14%	-6.65%	32.02%	43.47%
Vaneck Vectors Vietnam	1.47%	3.70%	16.92%	0.89%	11.41%	-12.69%	21.55%	11.42%
Ho Chi Minh Stock Index	2.86%	5.46%	27.46%	7.83%	11.96%	-4.85%	34.00%	441.47%
Hanoi SE Equity Index	10.34%	13.47%	78.67%	86.21%	2.65%	-5.93%	31.79%	354.63%
Dong	1.30%	4.35%	4.77%	-8.54%	2.00%	2.74%	-13.62%	-14.72%

* 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, 31-08-2021)

Net Asset Value: € 27.85

Share Price: € 27.71

Total Net Assets: € 8.4 million

Number of Shares: 300.889

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:

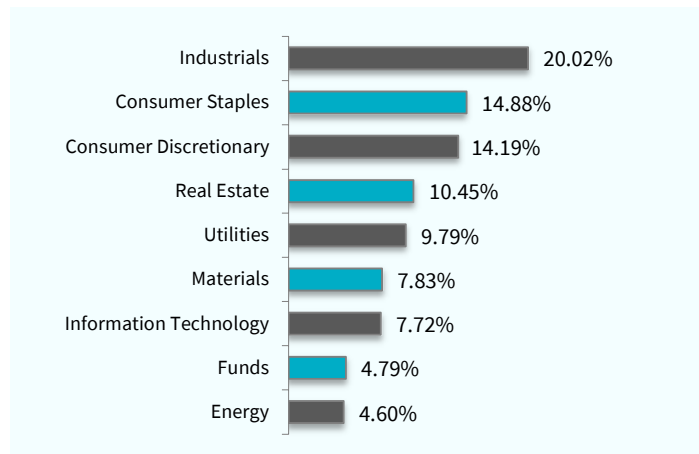
Frontier Markets Team:

Wytze Riemersma

Marco Balk



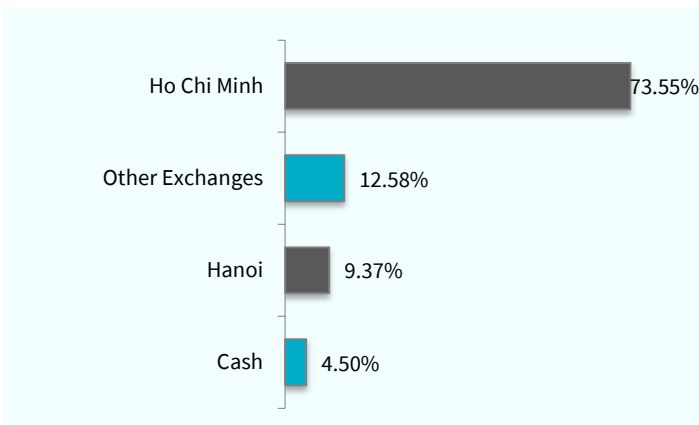
Sector Allocation



Top 10 Holdings

Position	Weighting
Fpt Corp	6.98%
Tng Investment & Trading Jsc	5.59%
Vietnam Holding Ltd	4.79%
Hai An Transport & Stevedori	4.73%
Hoa Phat Group Jsc	4.60%
Petrovietnam Transportation	4.60%
Danang Rubber Jsc	4.43%
Sao Ta Foods Jsc	4.40%
Song Hong Garment Jsc	4.17%
Tu Liem Urban Development Js	4.01%
Total weightings Top 10	48.28%

Exchange Allocation



Fund Characteristics

Characteristic	Fund
Number of Positions	33
Dividend Yield in %*	3.88
Price/Earnings Ratio*	11.36
Price to Book Ratio *	2.25
* 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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