

Fund Manager's Report

In March, the Fund declined 4.8% to ₱1.87, outperforming the MSCI Vietnam TR (-7.6%) in Peso terms. Since inception, the Fund has gained 86.1%, outperforming the benchmark (+56.9%). After a four-month bull run, the VNI declined 10.9% MoM in March as it mirrored the significant global selloff following the US-Iran war, the temporary closure of the Strait of Hormuz and the resulting spike in oil prices, all of which stirred renewed concerns about inflation. On a YTD basis, the VNI is down 6.2%. What we find more instructive than the price movement is how the market behaved beneath the surface. Trading activity remained healthy, with average daily value rising 6.4% to approximately \$1.3bln. In other words, while prices declined, participation did not disappear. Foreign investors, as has been the case for much of the past year, continued to be net sellers for a third consecutive month, bringing total outflows to roughly \$1.2bln YTD. *(source: Vietcap Securities)*

Despite the current market volatility and uncertain global environment, we maintain a confident outlook on the growth prospects of the Vietnamese equity market, supported by several reinforcing catalysts. First is a strong macro growth ambition: the government is targeting an impressive 10% annual GDP growth from 2026 to 2030, signaling a clear pivot toward a higher-growth economic model, which will be supported by accelerated infrastructure investment across key areas including transport, energy, and urban development. Second is the relative attractiveness of equities vs. other asset classes: as the property and gold markets in Vietnam show signs of cooling and regulatory tightening continues in crypto markets, domestic liquidity is anticipated to rotate back into equities. Concurrently, a strong pipeline of anticipated IPOs in 2026, including Highlands Coffee, CP Vietnam, and DMX, is expected to enhance market depth and support trading activity. Finally, the most awaited FTSE Russell Emerging Market Upgrade: Vietnam will officially be upgraded to Secondary Emerging Market Status in September 2026. According to international brokers, this could result in active and passive foreign inflows of around \$6-10bln, which will be a tremendous boost for liquidity, value discovery and stock price appreciation in the stock market.

We used the recent market weakness to initiate a position in F88, a leading provider of secured lending to Vietnam's underbanked population. Serving customers largely earning below \$700 a month, F88 addresses a market of over 50 million people, an opportunity that is both sizable and underserved. With approximately 950 branches nationwide, the company has built a scale advantage that would be difficult to replicate. More importantly, it combines this reach with technology-driven underwriting and risk management—an essential ingredient in lending businesses. Management is targeting expansion to 2,000 branches and 10,000 touchpoints by 2030, while maintaining credit discipline. A planned listing on the Ho Chi Minh Stock Exchange by late 2026 could serve as a meaningful catalyst. Businesses that operate where traditional finance does not often prove more valuable than they first appear.

As of 9 April, the U.S. and Iran have agreed to a two-week ceasefire, an encouraging, if tentative, step. Whether it leads to something more lasting remains uncertain, and we continue to monitor developments closely. Our approach, however, does not rely on predicting such outcomes. We remain confident in the resilience of our portfolio companies. Their strong cash flows and leadership positions should allow them to withstand near-term disruptions and, in time, emerge stronger.

Historical Performance, net of all fees (in PHP); (start date 22Feb19)

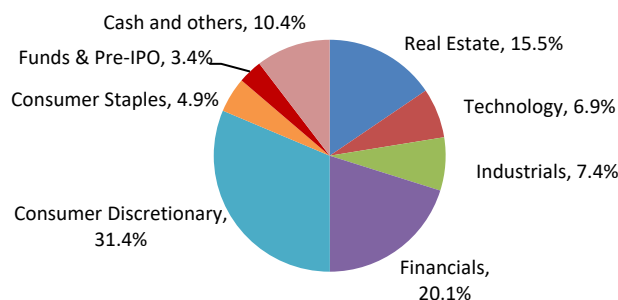
net of fees	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2026	2.6%	-1.5%	-4.8%										-3.8%
MSCI VN TR ¹	-1.7%	2.6%	-7.6%										-6.7%
2025	4.1%	-5.9%	-3.1%	-6.0%	7.5%	4.0%	7.6%	0.3%	-0.7%	3.8%	-3.2%	3.2%	10.8%
MSCI VN TR ¹	1.5%	1.5%	0.9%	-7.7%	11.1%	4.8%	19.4%	10.2%	2.1%	2.8%	2.5%	7.0%	69.4%
2024	2.8%	12.3%	4.6%	2.0%	5.8%	3.7%	-1.1%	-0.8%	-1.0%	-1.8%	-0.8%	0.6%	28.6%
MSCI VN TR ¹	0.6%	5.8%	2.9%	-8.0%	5.3%	-2.8%	-1.0%	-0.3%	1.4%	-1.9%	-1.2%	-2.0%	-2.1%
2023	4.6%	-11.1%	-3.1%	0.8%	2.6%	7.7%	26.6%	1.7%	-0.6%	-10.6%	6.5%	5.3%	28.7%
MSCI VN TR	7.7%	-10.1%	4.8%	-0.4%	1.4%	3.9%	8.8%	2.3%	-9.0%	-14.5%	9.1%	4.1%	4.8%
2022	-3.2%	9.0%	8.3%	-1.8%	-8.6%	3.8%	-10.5%	8.8%	-13.6%	-11.4%	-13.0%	0.2%	-30.8%
MSCI VN TR	-3.3%	-2.9%	0.1%	-7.1%	-7.3%	-2.8%	-0.3%	5.8%	-8.6%	-14.5%	-0.9%	-3.3%	-37.9%
2021	-2.3%	9.2%	0.9%	-2.7%	2.4%	5.7%	5.9%	0.4%	3.1%	4.5%	3.3%	11.1%	48.9%
VNI TR	-4.1%	12.0%	1.2%	4.3%	6.3%	7.6%	-3.5%	1.3%	2.7%	7.4%	2.2%	1.8%	45.1%
2020	-4.0%	-1.2%	-17.5%	16.6%	17.2%	-5.7%	-2.0%	4.7%	1.8%	-2.1%	8.7%	12.2%	25.8%
VNI TR	-2.5%	-5.8%	-24.7%	15.0%	12.8%	-6.0%	-3.7%	8.5%	2.9%	2.3%	8.8%	9.7%	10.8%
2019		-0.8%	-0.5%	-2.6%	-1.4%	0.1%	-1.7%	0.0%	0.6%	-4.5%	-5.8%	-3.4%	-18.6%
VNI TR		-2.5%	3.3%	-2.2%	-1.4%	-0.9%	3.7%	1.9%	0.8%	-1.6%	-3.1%	-0.7%	-3.0%

¹ MSCI Vietnam Total Return Index;

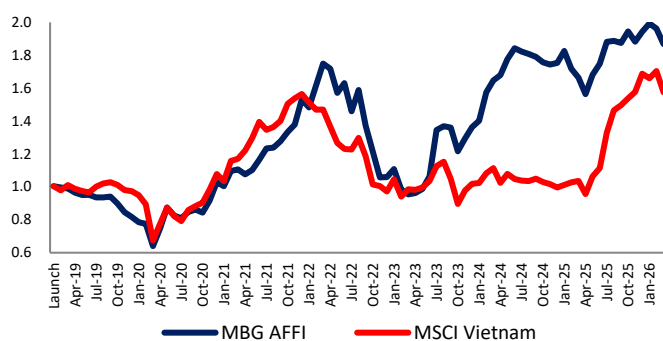
Portfolio Characteristics

	MBG AFFI	MSCI VN
Volatility (3σ, 1-day)	+/- 4.4%	+/- 4.9%
Correlation to MSCI VN	0.9	1.0
Beta	0.8	1.0
Stock holdings	86.3%	100.0%
Large cap (> \$1bln)	94.5%	99.9%
Mid cap (\$100mln to \$1bln)	0.0%	0.1%
Small cap (< \$100mln)	5.5%	0.0%
Vietnam allocation	81.5%	100%
Singapore allocation	4.7%	0.0%
Pre-IPO allocation	3.4%	0.0%

Sector Allocation



MBG AFFI Performance vs. Benchmark (in PHP)



*Rescaled to 1.0040 on 22 February 2019 (NAV of fund prior to first trade date)

Fund Statistics, since first trade date (22Feb19)

(net of all fees)	MBG AFFI	MSCI VN
3 months	-3.8%	-6.7%
6 months	-0.3%	5.3%
1 year	12.3%	52.0%
3 years (annualized)	25.1%	16.9%
Inception (cumulative)	86.1%	56.9%
Inception (annualized)	9.1%	6.5%
Months with gains	54.7%	55.8%
Volatility of returns p.a.	+/- 21.3%	+/- 27.3%
1-yr Sharpe ratio (RFR 6%)	0.29	1.68

Fund Information

Inception	February 22, 2019
Master fund	Seahedge Asia Frontier Fund SP (Cayman Islands-domiciled)
Management fee	1%
Fund administration fee	0.25%
Minimum subscription	PHP 100,000 or USD equivalent
Dealing	Daily
Lock-up period and penalty	1 year; 5% penalty
Fund AUM	PHP 673 million
Custodian	Deutsche Bank Manila
Auditor	SGV & Co. (Ernst & Young Ltd)
Legal advisors	Mata-Perez & Francisco
Fund manager	Russell Virata / Michael B. Garcia
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