



PYN ELITE

PYN Elite – Presentation

April 2020

PYN Elite – Facts

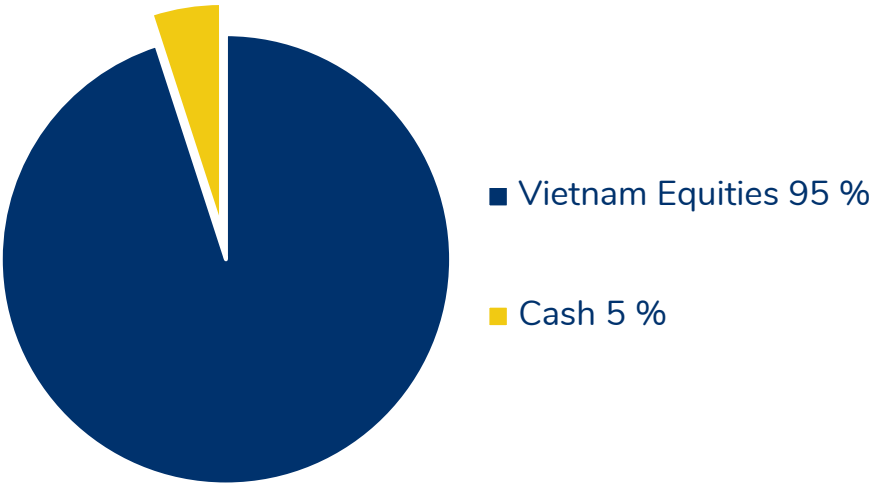
PYN Elite Fund (non-UCITS)

Allocation	Asia ex Japan
Fund Manager	Petri Deryng
Founded	1999
Subscription/redemption	Monthly
Min. investment	10 000 EUR
Currency	Euro
Subscription/redemption fee	0 %*
Management fee	1.0 %
Performance fee	12.0 % (HWM **)
Assets (15.04.2020)	345 m EUR

Open - ended, Finland Domicile and licensed mutual equity fund (AIF) under EU regulations.

* The subscription fee for subscriptions of 3M EUR or more is 5 %.
 ** A fund-specific high watermark calculation is used in the calculation of the performance-based fee.

Fund allocation



As of 15.04.2020

PYN Elite Investment Strategy

Fund

PYN Elite is

- Long term
- Actively managed
- Long-only
- Global, but currently Vietnam focused allocation

Markets

We invest in

- Underperforming or undervalued markets in comparison to markets historical fair valuation
- Improving macroeconomic/demographic trends
- Industries and companies that are overlooked, contrarian and at the start of a positive business cycle

Research

Key Characteristics

- Conducting regular company visits by portfolio manager and research team
- Long term undervalue entry levels and fair value exit targets
- Deep fundamental research and modeling

Top Holdings

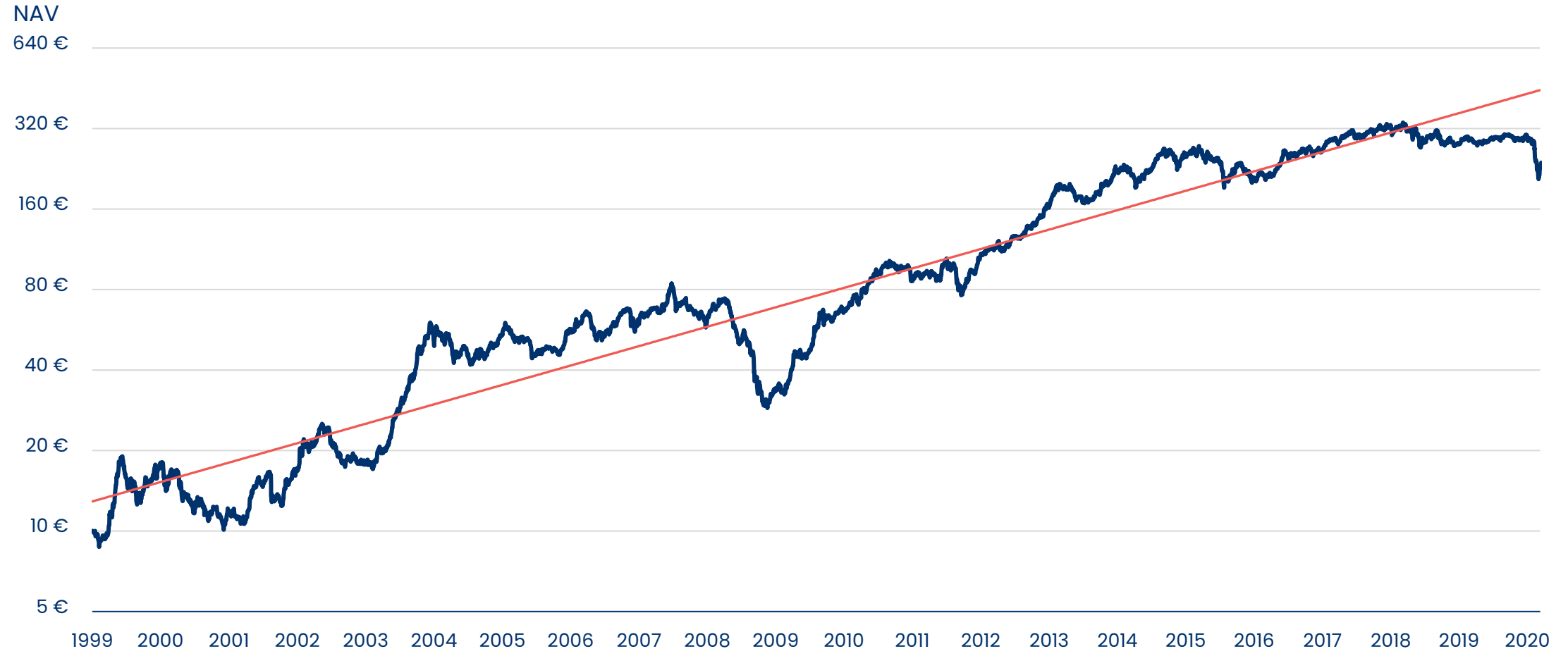
Company	2019	2020E	20EE	PYN Elite upside (E)	Company	2019	2020E	20EE	PYN Elite upside (E)
TPB: TP Bank 10.3% (18 300)					CI: HCMC Infrastructure 4.5% (18 750)				
Revenue	5 633	6 603	10 000	248 %	Revenue	1 813	5 114	10 000	72 %
Earnings	3 094	3 376	4 800		Earnings	196	658	1 000	
Market Cap	17 399	14 943*	52 000		Market Cap	5 576	4 647*	8 000	
Equity	13 075	16 450	25 000		Equity	5 130	6 011	7 000	
VEA: VEAM 10.0% (35 700)					NLG: Nam Long 4.1% (21 350)				
Revenue	4 488	3 589	11 000	153 %	Revenue	2 546	1 812	8 000	163 %
Earnings	7 214	4 955	10 500		Earnings	893	912	900	
Market Cap	59 796	47 438*	120 000		Market Cap	6 867	5 331*	14 000	
Equity	26 640	24 552	40 000		Equity	5 055	5 953	8 000	
CTG: Vietinbank 8.2% (19 850)					PAN: PAN Group 3.8% (23 000)				
Revenue	33 199	34 125	45 000	171 %	Revenue	7 813	7 600	16 000	41 %
Earnings	7 600	7 400	13 000		Earnings	257	270	600	
Market Cap	77 819	73 910*	200 000		Market Cap	4 845	4 975*	7 000	
Equity	76 793	84 190	100 000		Equity	3 788	5 374	6 000	
HDB: HD Bank 7.7% (20 650)					POW: PV Power 3.6% (9 060)				
Revenue	9 747	12 623	18 000	301 %	Revenue	35 374	33 959	42 000	126 %
Earnings	3 605	3 999	5 800		Earnings	2 406	2 397	3 500	
Market Cap	27 027	19 946*	80 000		Market Cap	26 814	21 217*	48 000	
Equity	19 073	23 070	30 000		Equity	26 887	28 581	35 000	
MWG: Mobile World 5.6% (76 800)					SCS: Saigon Cargo 3.2% (109 000)				
Revenue	102 174	100 354	180 000	188 %	Revenue	748	725	1 400	119 %
Earnings	3 834	3 435	5 500		Earnings	431	398	700	
Market Cap	50 467	34 776*	100 000		Market Cap	6 044	5 490*	12 000	
Equity	12 136	15 293	22 000		Equity	1 004	1 022	2 000	
ACV: Airports of Vietnam 4.6% (54 000)					KDH: Khang Dien 3.2% (20 650)				
Revenue	18 329	10 094	25 000	104 %	Revenue	2 813	4 153	7 000	60 %
Earnings	7 510	2 051	12 000		Earnings	870	1 164	1 200	
Market Cap	163 275	117 558*	240 000		Market Cap	14 645	11 242*	18 000	
Equity	36 704	36 796	60 000		Equity	7 625	8 349	10 000	

Top holdings per 15 April 2020. Company figures in bn. VND

20EE: Shows our target market cap, revenue, profits and equity within the next three years

* MCap on 15 April 2020

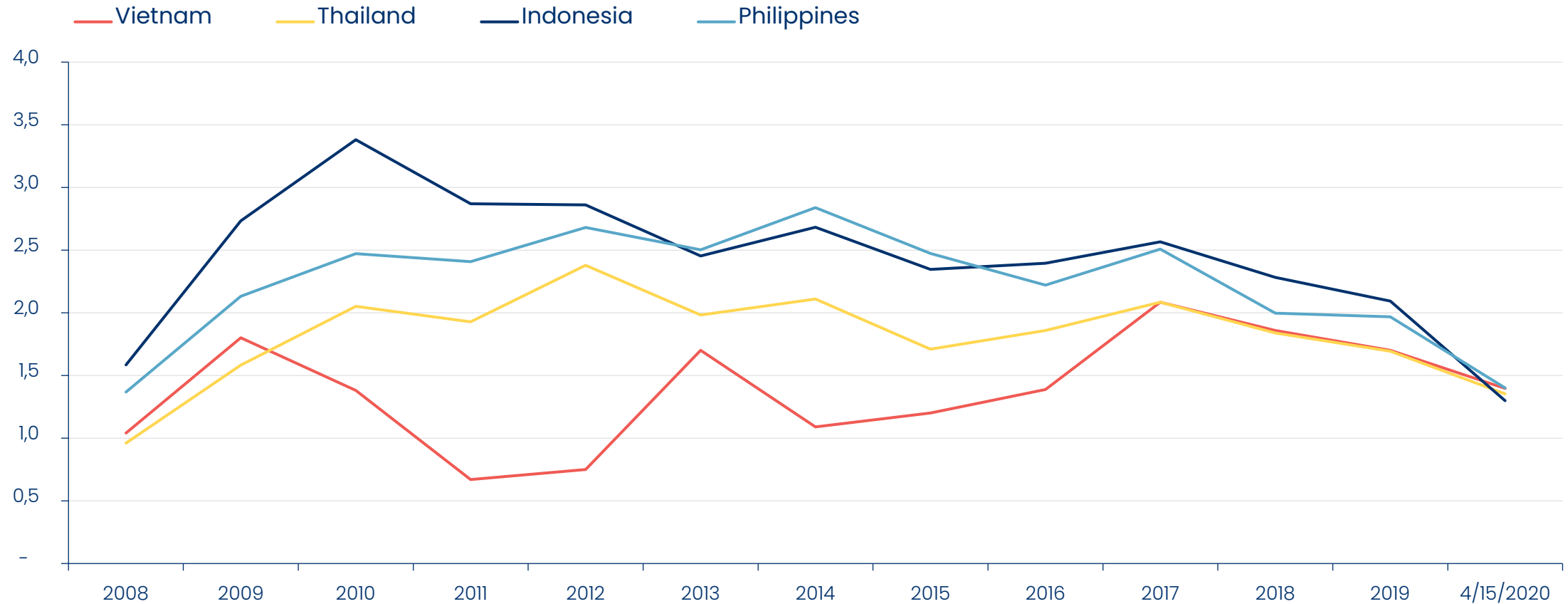
PYN Elite Performance on Log Scale



Source: PYN Fund Management

PYN Elite fund was established in Feb 1999 at 10 Euros per unit. Since inception, its unit value has increased 23-fold to above 238 Euros. Compounded annual returns are at 16.1%.

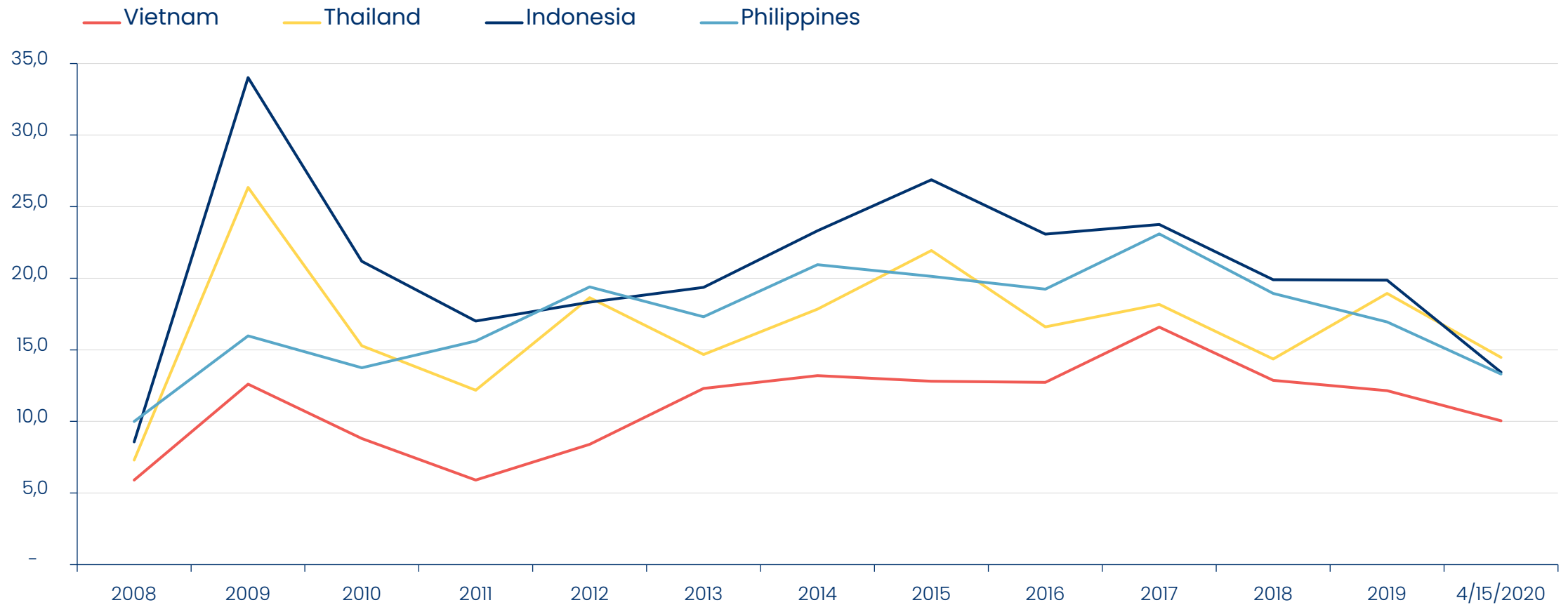
Vietnam Price to Book vs. Emerging Markets



Per 15.04.2020, Source: Bloomberg

Vietnam's VNX All-Shares Index trades at a weighted average price-to-book (PB) ratio of 1.4. The index include 411 companies from the Ho Chi Minh and the Hanoi stock exchanges.



Vietnam Price to Earnings vs. Emerging Markets



Per 15.04.2020, Source: Bloomberg

Vietnam's VNX All-Shares Index trades at a weighted P/E ratio of 10.0. The index include 411 companies from the Ho Chi Minh and the Hanoi stock exchanges. Vietnamese small and medium cap stocks trade at around P/E 7.6.

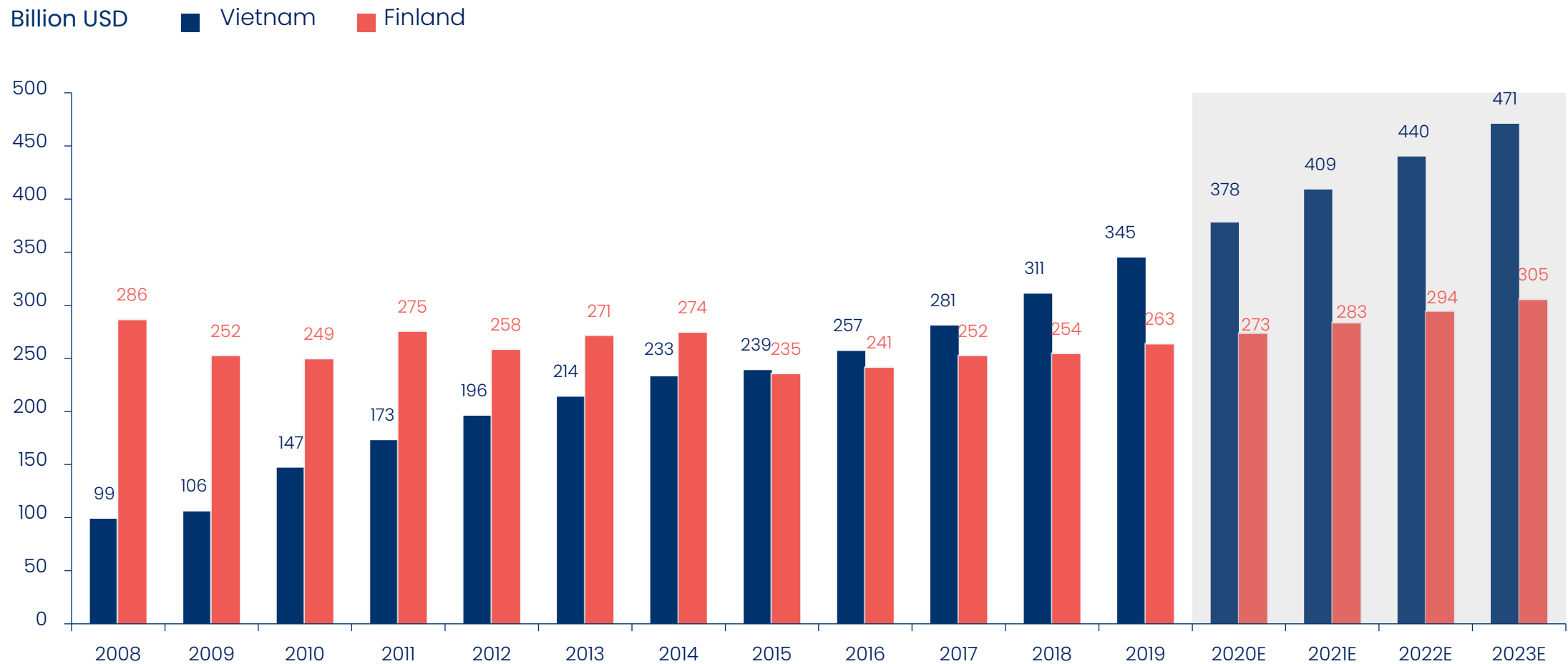
CAGR Vietnam vs. Thailand 2013–2019

Industry		CAGR % 2013–2019		
Banks	HDB , TPB, CTG	+44 %	Revenue growth	+7 %
		+37 %	Profit growth	+2 %
Housing	NLG, KDH	+49 %	Revenue growth	-1 %
		+150 %	Profit growth	-1 %
Construction	CII, FCN	+17 %	Revenue growth	+9 %
		+13 %	Revenue growth	+14 %
Hotel Developer	CEO	+73 %	Revenue growth	+14 %
		+67 %	Profit growth	+3 %
Brokers	VND	+34 %	Revenue growth	-11 %
		+21 %	Profit growth	-25 %
Food Industry	PAN	+53 %	Revenue growth	+5 %
		+152 %	Profit growth	+17 %
Retail	MWG	+49 %	Revenue growth	+10 %
		+57 %	Profit growth	+12 %

Source: PYN Fund Management

Our recent study compares PYN Elite's key Vietnamese holdings to comparable peer companies in Thailand. Surprisingly, Thailand's domestic businesses have achieved rather dismal growth in this time period. By contrast, Vietnam's growth numbers are extremely strong. Remark: Vietnam's bank and property crises in years 2009-2012 set a very low base for the CAGR growth comparison.

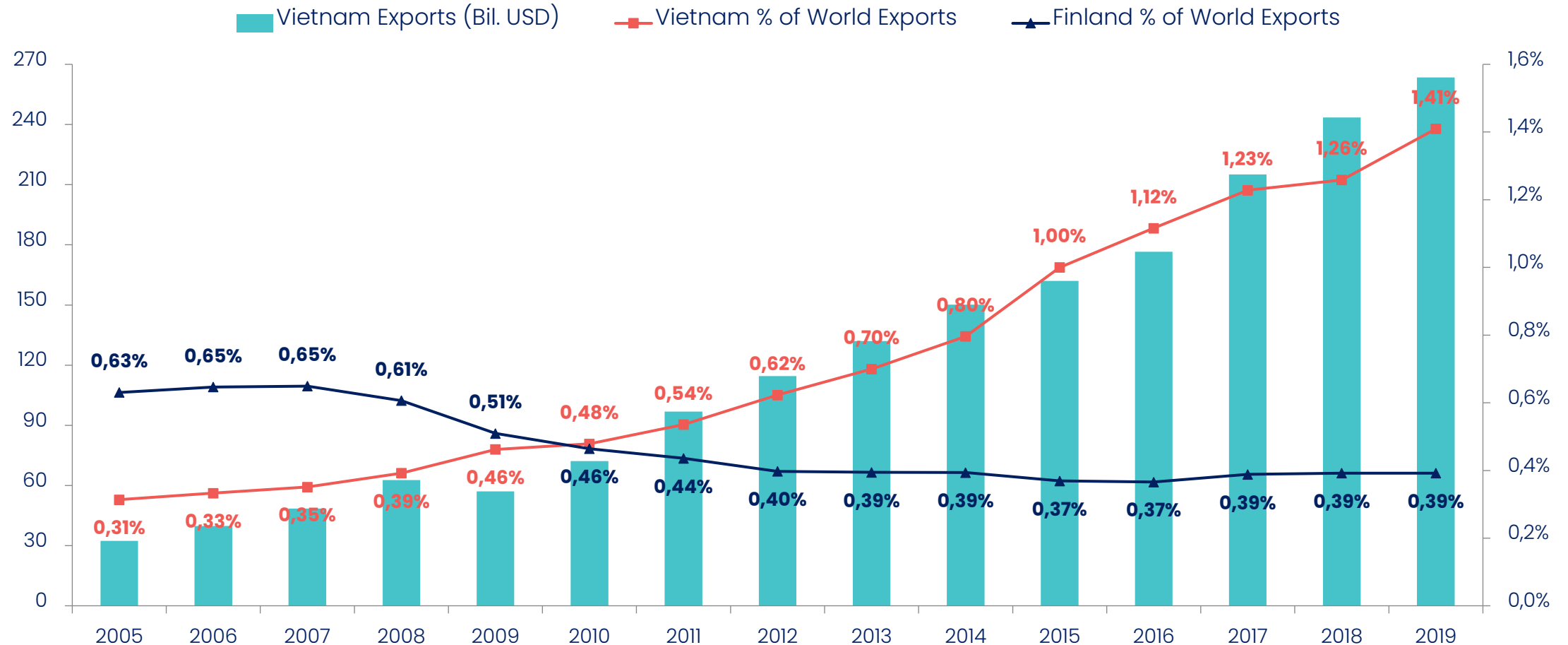
Vietnam GDP vs Finland GDP 2008–2023



Source: World Bank, GSO, PYN Fund Management

Vietnam's GDP is poised for strong growth. A 6% - 7% average GDP growth for Vietnam is to be expected for the next 5-10 years. Vietnam's GDP period 2011 – 17 was revised by the General Statistics Office of Vietnam higher by an average of 25.4% on Dec 13, 2019.

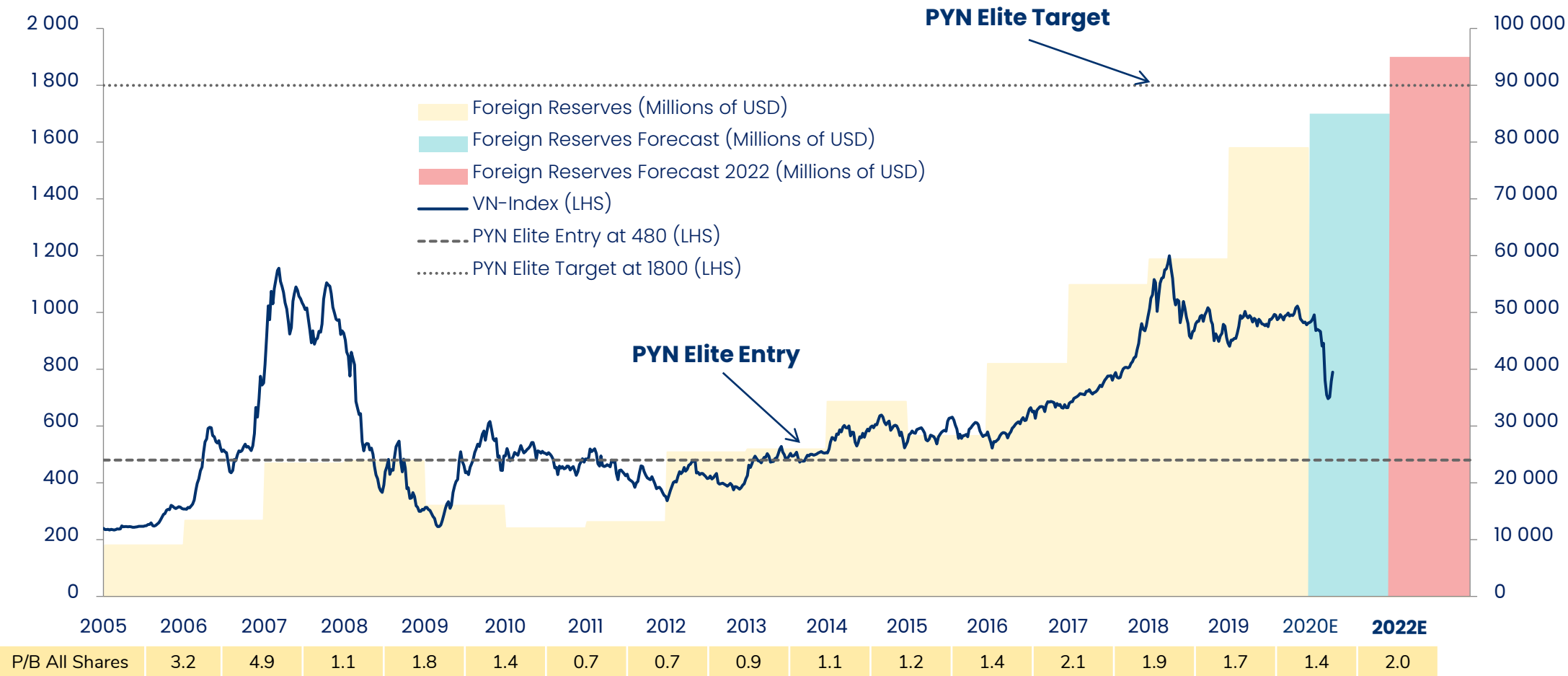
Exports from Vietnam and Finland relative to World Exports



Source: IMF DOTS

Vietnam's government has built an attractive platform for foreign direct investments. The manufacturing sector has achieved high competitiveness in world export markets and it continues to capture market share from other countries.

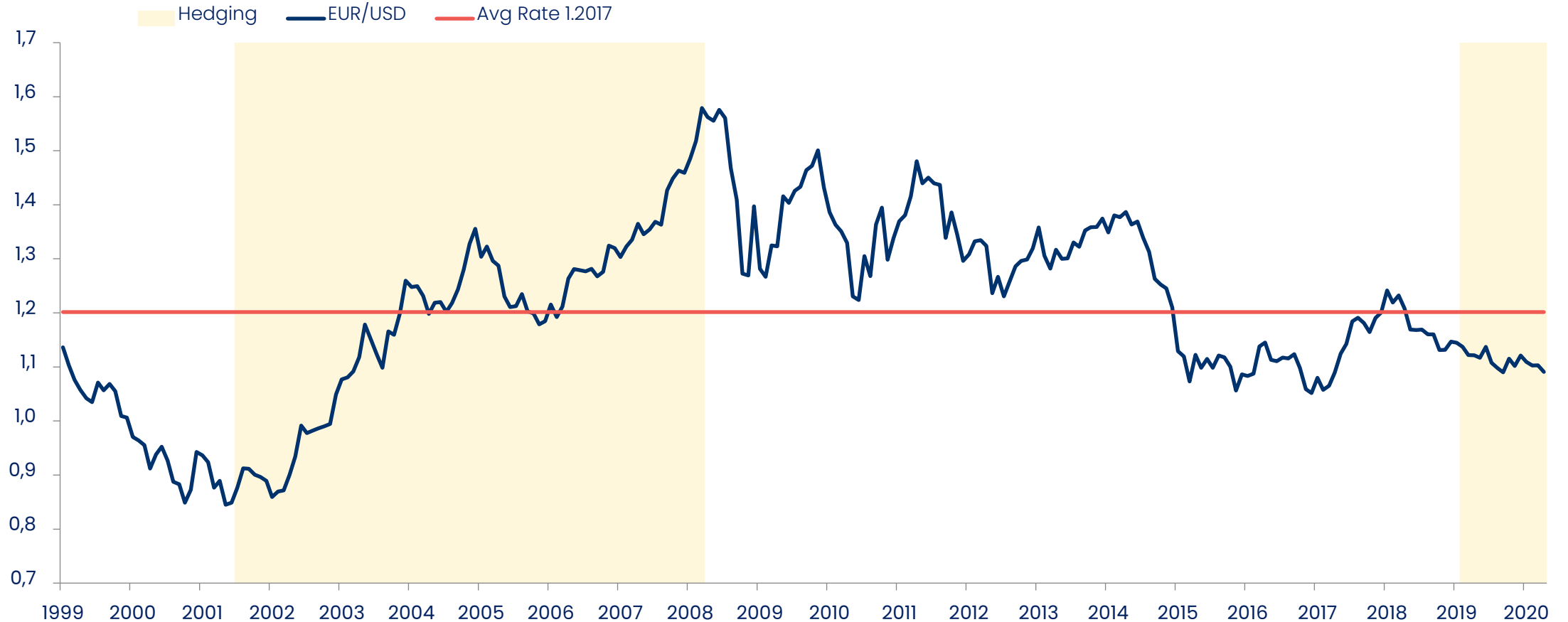
Vietnam Stock Market and FX Reserves



Source: PYN Fund Management, ADB, Bloomberg

Forex reserves are accumulating and satisfactory forex reserves will correlate to Vietnam's country risk. Lower risk level will support higher equity valuation ratios in Vietnam.

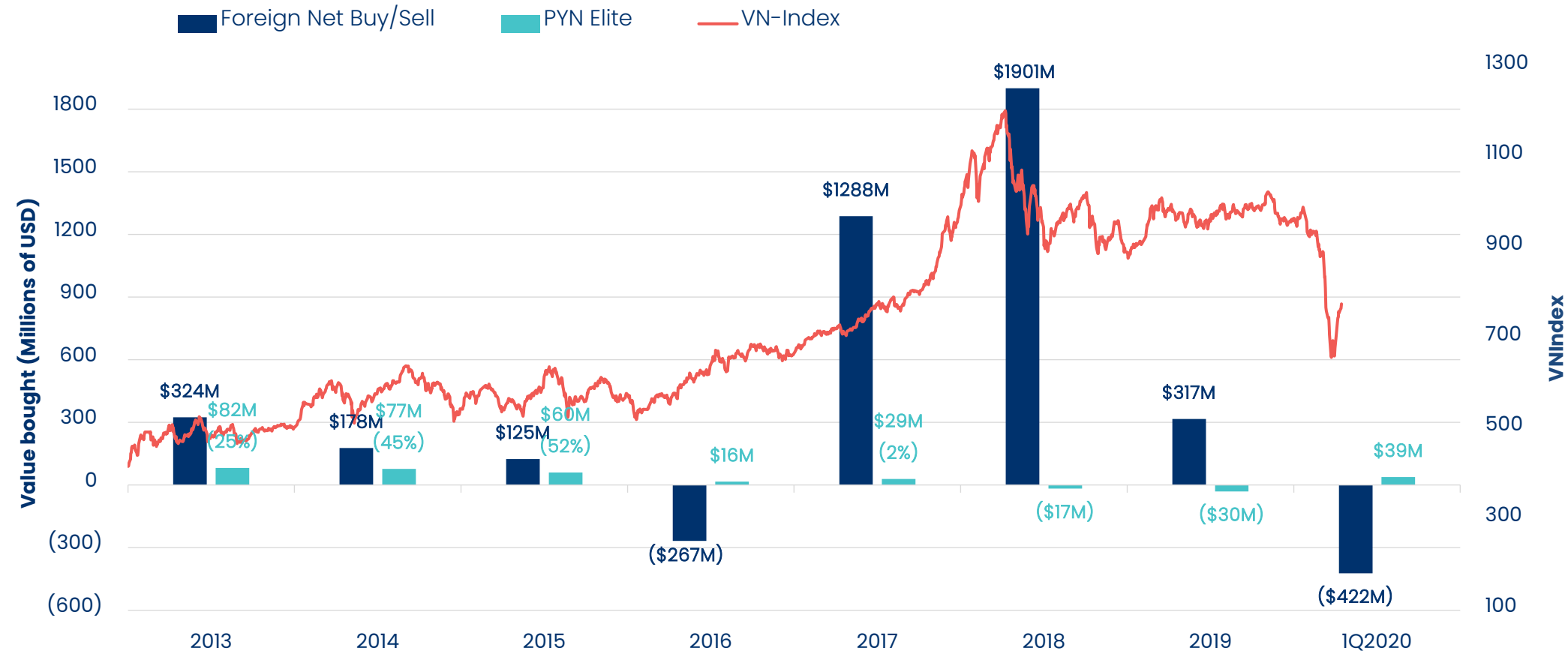
EUR/USD Rate and PYN Elite Hedging



Source: Bloomberg

PYN Elite returns are impacted by the strength or weakness of the Euro. Currency hedging has been used as a tool to protect our portfolio from potential Euro strengthening. During the 2001-2008 period, we were fully-hedged for our portfolio. 2008 – 2/2019 we kept the currencies open. PYN Elite portfolio has been fully-hedged again as from 26.2.2019.

PYN Elite proportion of foreign net buy/sell in Vietnam

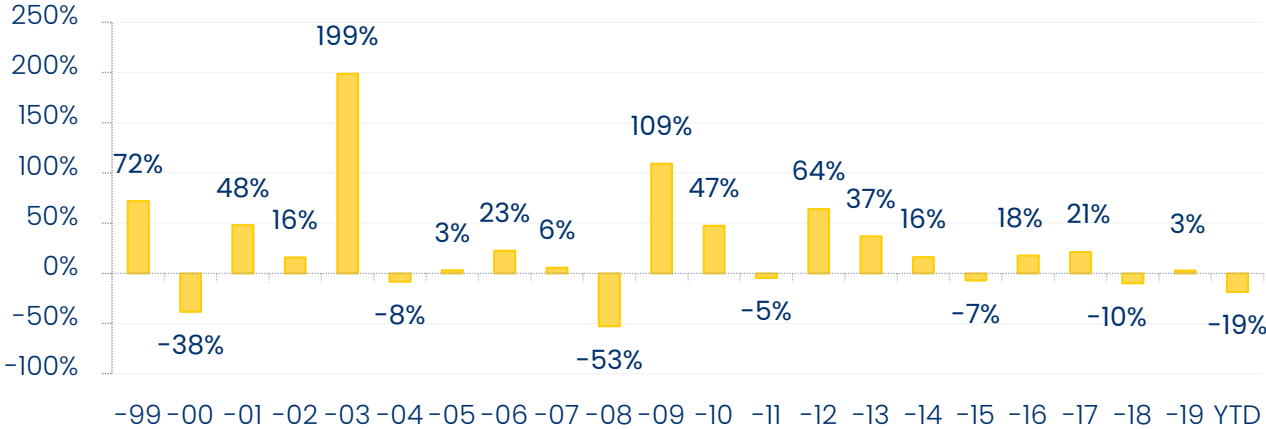


VNIndex per 15.04.2020, Source: FiinPro Vietnam

PYN Elite fund has played a significant role in foreign net purchases in Vietnam from 2013-2015. Since then PYN Elite fund's net buying has moderated and other foreign funds has been more actively net buying Vietnamese equities.

PYN Elite Cumulative Performance

	Feb-99	1999	2013	2014	2015	2016	2017	2018	2019	2020 YTD
PYN Elite NAV EUR	10	17.19	205.45	238.81	221.65	261.04	316.40	285.01	293.07	238.45
%		72	37	16	-7	18	21	-10	3	-19
MSCI Asia ex Jap (EUR)			400	466	460	488	593	521	613	538
%			-4	16	-1	6	22	-12	18	-12
SET Index* + currency %		43								
PYN Elite better / worse % *SET excl. Dividends		30	41	0	-6	12	-1	-2	-15	-7



Cumulative Return
+2 285 %

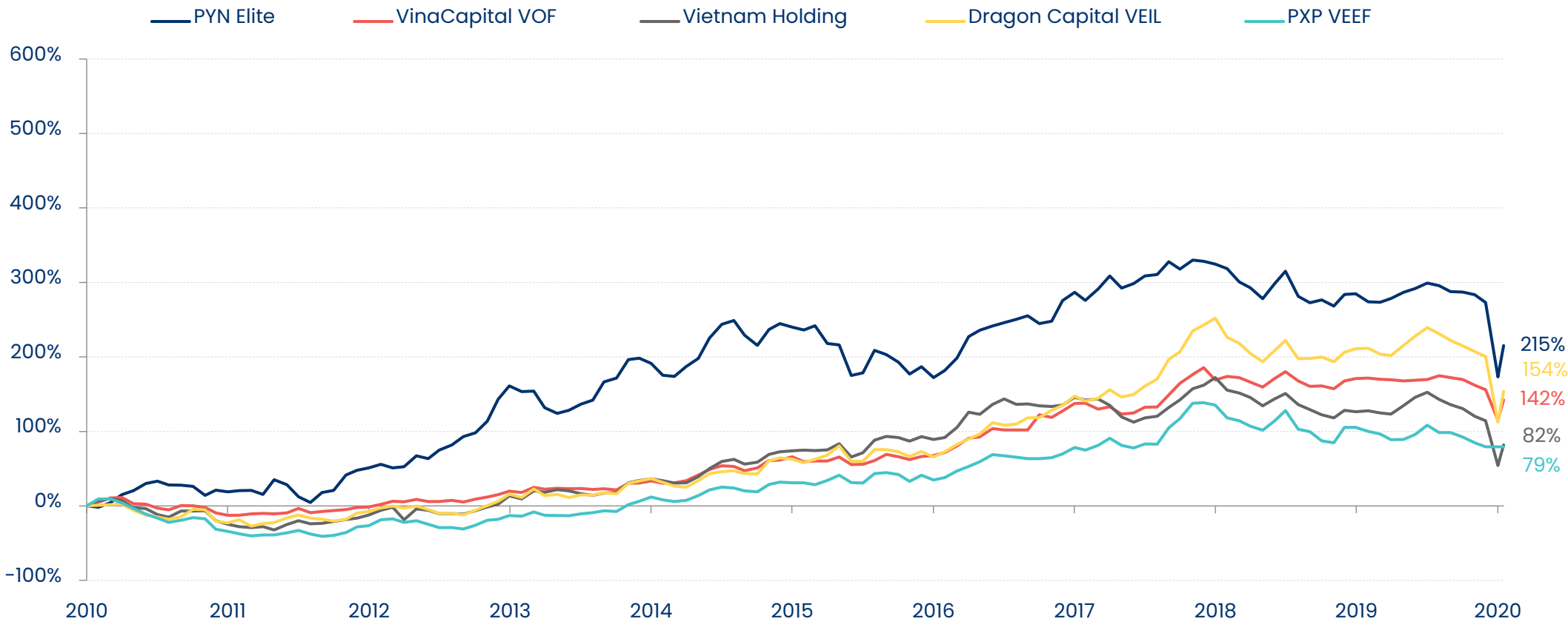
Annualized Return
+16.1 %

YTD 15.04.2020
Source: Bloomberg

Top 5 Profit & Loss Year-to-Date



PYN Elite vs Vietnam Funds (in EUR)



Source: Bloomberg

PYN Elite fund has been able to combine macroeconomic analyses together with equity market valuations in timing when to enter a new market. This factor has favored PYN Elite fund switching from the Thai market to the Vietnam market in 2013, relative to Vietnam-only country funds.

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Disclaimer

PYN Elite Fund (non-UCITS) (hereinafter “the Fund”) is an alternative investment fund according to the Finnish Alternative Investment Fund Managers Act (162/2014, as amended) and a special mutual fund according to the Finnish Mutual Funds Act (48/1999, as amended), meaning it may derogate from the provisions of the Finnish Mutual Funds Act regarding investment of the assets, risk diversification, issue and redemption of the fund units and publication of information (a non-UCITS). The Fund is managed by PYN Fund Management Ltd, located at Mannerheiminaukio 1 E, 00100 Helsinki, Finland. PYN Fund Management Ltd is authorized and supervised by the Finnish authority for supervision of financial and insurance sectors, Financial Supervisory Authority (FIN-FSA).

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