

DC DEVELOPING MARKETS STRATEGIES PLC

An investment company with variable capital constituted as an umbrella fund with segregated liability between sub-funds under the laws of Ireland and authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as amended (collectively, the “Regulations”).

SEMI-ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2022

DC Developing Markets Strategies plc

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DC Developing Markets Strategies plc

General Information

Directors:

Rachel Nancy Hill (British – Non-Independent)
Bronwyn Wright (Irish – Independent)
Arun Neelamkavil (Irish – Independent)

Administrator, Registrar and Transfer Agent:

SEI Investments Global Fund Services Limited
Styne House
Upper Hatch Street
Dublin 2
Ireland

Sub-Custodian:

Standard Chartered Bank (Singapore) Limited
7, Changi Business Park Crescent
Level 3 Securities Services
Singapore 486028

Independent Auditor:

KPMG
Chartered Accountants and Statutory Audit Firm
1 Harbourmaster Place
IFSC
Dublin 1
Ireland

Investment Manager:

Dragon Capital Management (HK) Limited
Unit 2406, 24/F
9 Queen's Road Central
Hong Kong

Depository:

SEI Investments – Depository and Custodial
Services (Ireland) Limited
Styne House
Upper Hatch Street
Dublin 2
Ireland

Legal Advisers as to Irish Law:

McCann FitzGerald LLP
Riverside One
Sir John Rogerson's Quay
Dublin 2
Ireland

Secretary and Registered Office:

KB Associates
35 Shelbourne Road
Ballsbridge
Dublin 4
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Manager:

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35 Shelbourne Road
Ballsbridge
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General Information (continued)

Representative and Paying Agent in Switzerland:

Representative in Switzerland¹

Waystone Fund Services (Switzerland) SA
Avenue Villamont 17
1005 Lausanne
Switzerland

Paying Agent in Switzerland

Helvetische Bank AG
Seefeldstrasse 215
8008 Zurich
Switzerland

Place where prospectus, constitution as well as semi- annual and annual reports can be obtained free of charge:

Dragon Capital Management (HK) Limited
Unit 2406, 24/F
9 Queen's Road Central
Hong Kong

Registered Number: 528310

¹Shareholders may obtain the prospectus, the key information document, the latest annual and semi-annual reports, the changes in the composition of the portfolio during the reporting period, the statement of purchases and sales, and copies of the Memorandum and Articles of Association free of charge from the registered office of the Company or the local representatives in the countries where the Company is registered and in Switzerland at the office of the Representative at Waystone Fund Services (Switzerland) SA, Avenue Villamont 17, 1005 Lausanne, Switzerland. The issue and the redemption prices of the shares of each sub-fund of the Company will be published daily on the electronic platform www.fundinfo.com and www.dragoncapital.com/vef/.

The annual and semi-annual reports and financial statements (the “Report and Accounts”) may be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Report and Accounts. To the extent that there is any inconsistency between the English language Report and Accounts and the Report and Accounts in another language, the English language Report and Accounts will prevail, except to the extent (and only to the extent) that it is required by law of any jurisdiction where the shares are sold, that in an action based upon disclosure in a Report and Accounts in a language other than English, the language of the Report and Accounts on which such action is based shall prevail. Any disputes as to the terms of the Report and Accounts, regardless of the language of the Report and Accounts, shall be governed by and construed in accordance with the laws of Ireland.

Investment Manager's Report
31 December 2022

A. MACRO ECONOMY

Vietnam posted exceptionally strong GDP growth of 8.02% for 2022, surpassing targets of 6-6.5%, the fastest pace since 1997. In fairness, policy makers did a good job given the difficult context of global economic and political uncertainty and challenges. Inflation, a hot topic globally this year, was under wraps in Vietnam at just 4.6% thanks to the Government cutting petrol taxes, not printing excess money during the Covid years, and Vietnam being highly self-sufficient in food. The Government also handled the currency and interest rate situation quite well; as of 31 December 2022, the currency depreciated 3.5% and was, in general, relatively stable throughout the year. Rates were also raised in tandem with the US, but not to levels that would severely impair the economy.

Core drivers for future economic growth are intact, if not even more solid. FDI disbursement is moving ever higher, hitting a record of \$22.4bn in 2022, +13.5% YoY. Multinationals are still piling into Vietnam. Korea recently signed a pact with Vietnam to be a “comprehensive strategic partner”. To mark this, Korean companies immediately pledged to invest \$15bn in new plants, including \$6bn from LG and Samsung. Apple continues to move more of their production chain to Vietnam, with the latest addition being Macbooks. Companies with incredibly high environmental standards are also coming in; Lego’s initial \$1bn investment in Vietnam required their factory to be 100% green. In general, top FDI exporters are bulking up capacity right now in Vietnam even if they may be producing fewer goods globally next year. As a result, Vietnam’s exports were up 10.6% and the trade surplus for 2022 was at \$12.4bn. This trend will continue to allow foreign reserves to build up and provide a cushion to help defend the currency when needed.

Living standards and wealth accumulation amongst the population is persistently rising: retail sales rose 19.5% YoY and domestic tourists hit 100 million (surpassing pre-Covid’s 85 million). Overall, the economic engine is resilient and at this rate the Japan Centre for Economic Research (JCER) is predicting Vietnam will become an upper-middle-income country in 2023, and its GDP will surpass that of Taiwan in 2035. That said, there are challenges in 2023 given the anticipated global demand slowdown and higher interest rate backdrop. For the former, we believe relentlessly strong FDI disbursement and new project kick-offs (i.e. Macbook production forecast to start in mid-2023) will somewhat offset the slump in global demand. For the latter, it will be important to observe how long rates will stay high before the hoped for inflection point, and how resilient the economy will be in a higher rate environment. Should a global recession occur and impact Vietnam more negatively than anticipated, the government may enforce certain policy support measures to help boost economic growth. One option may be fiscal aid via accelerated infrastructure investment as it is beneficial in both the short and longer term. Relevant beneficiaries will be named throughout the value chain (construction materials, construction, ports, IPs, developers with projects near key infra locations, etc.). Global recession or not, upgrading infrastructure plays a pivotal role in enhancing Vietnam’s competitiveness as a manufacturing powerhouse and is a focus for the government going forward.

B. STOCK MARKET

While Vietnam stood out as possibly the fastest growing economy in Asia, the VN Index was at the other end of the spectrum as the 34.1% drop (\$TR) made it one of the worst performers in the 2022 calendar year. The precipitous decline was largely attributable to (1) the surge in global risk aversion in response to a hawkish Fed and (2) the confluence of domestic policy pressures that resulted from currency and local rate management, plus liquidity constraints that emerged from structural reform. This was a result of the corporate bond market intervention launched in 1H22. This has left the market at 10x average trailing P/E, which is a 10-year low, and the last time stocks sank to such depths was in 2012 when the economy was in turmoil with lending rates near 20% and inflation in the teens. Though there are further possible factors to test 2023 as mentioned above, many of the potential risks have been priced in, and the current level may represent a value investor’s sweet spot of mispriced fundamentals considering Vietnam’s economy is primarily in good shape. Foreigners have been keen to tap into the opportunity, with net-buying of over \$1bn during November and December. The recent strong inflows into Vietnam reflect both specific conviction on the country’s secular emergence as well as a general rotation into EM as the USD weakened. This phenomenon has helped boost domestic sentiment towards the year-end and retail investors are gradually finding their footing again.

2023 market earnings are now projected at only +1.8% (+7% core net profit growth when removing one-off incomes in 2022) as certain commodities retract from highs and concerns for property grow given the higher rate environment. Yet there are pockets of growth, and the market is perfectly capable of going up when earnings go down, as seen in the past. Over the last decade, only in 2012 and 2016 did Vietnam see negative earnings growth, and in both years, the VN Index recovered from the bottom and delivered 15-20% returns, and this could be the case in 2023.

DC Developing Markets Strategies plc

Investment Manager's Report (continued) 31 December 2022

C. FUND PERFORMANCE

Cumulative returns:

Total return in USD	3MO	6MO	1YR	2YR	3YR	Since Inception 30-Sep-13
A Shares	-13.11	-20.51	-37.49	-3.68	11.81	148.96
VN Index (TR USD)	-9.75	-16.33	-34.07	-8.36	7.57	130.03

Total return in EUR	3MO	6MO	1YR	2YR	3YR	Since Inception 4-Jul-18
B Shares	-20.35	-21.72	-33.26	12.30	18.88	33.57
VN Index (TR EUR)	-17.51	-18.12	-29.92	4.59	12.78	25.81

Calendar year returns:

Total return in USD	2022 YTD	2021	2020	2019	2018	2017	2016	2015	2014	2013 ⁽¹⁾
A Shares	-37.49	54.10	16.08	-0.09	-3.43	41.35	19.36	13.25	18.31	2.09
VN Index (TR USD)	-34.07	39.00	17.39	9.88	-9.45	52.74	17.08	4.88	9.23	3.50

(1) From 30 September 2013 to 31 December 2013

Total return in EUR	2022 YTD	2021	2020	2019	2018 ⁽²⁾
B Shares	-33.26	68.27	5.86	2.2	9.94
VN Index (TR EUR)	-29.92	49.24	7.83	11.96	1.72

(2) From 4 July 2018 to 31 December 2018

Disclaimer: Past performance is no indication of current or future performance, and the performance data does not take account of the commissions and costs incurred on the issue and redemptions of shares.

DC Developing Markets Strategies Public Limited Company's ("DCDMS") NAV per share fell 20.51% in USD, more than its benchmark, the VN Index, which dropped 16.33% in USD during 2H22, as the market was characterized by event-driven momentum trading rather than fundamentals. Substantial negative attributions to the Fund's decline were in the banking, property and retail sectors.

Banking hurt the Fund's performance in 2H22 as the Fund's preference for private innovate banks momentarily backfired when the corporate bond shakeup unravelled and domestic retail investors irrationally dumped banking stocks across the board. Meanwhile, strong foreign ETF inflows that came in at year-end significantly lifted state-owned commercial banks as they were index heavyweights, yet were underweighted in the Fund.

Property did not perform well given both the corporate bond incident and rising interest rate environment. Property stocks were immediately sold down into the red whenever a negative headline surfaced. All-in-all, the real estate sector slumped twice as much as the VN Index did. All the Fund's property holdings suffered regardless of how fundamentally resilient and capable the developers might be.

Investment Manager's Report (continued) 31 December 2022

C. FUND PERFORMANCE (CONTINUED)

Another large detractor for the Fund was retailer MWG, which fell 40.0% in 2H22 as the market worried about consumer spending, in addition to the lower-than-expected results of their grocery chain business. Weaker consumer spending may be on the horizon but retailers diverge as evident in the case of the Fund's current top holding PNJ, which was essentially flat in the context of virtually all other stocks in the market tumbling. This was attributable to the company posting strong earnings of over 50% growth for 2022, announcing prospects for 2023 that are likely to be above-market earnings growth on the basis of robust pent-up demand, and the company solidifying its position as a leading jewelry retailer successfully consolidating the fragmented market.

Perhaps no economy is immune to global slowdowns, but we believe Vietnam's core drivers for a high economic growth are intact and the government's 6.5% GDP growth target for 2023 is achievable. The Fund's focus will be on companies with solid prospects and undemanding valuations, and also those likely to benefit from macro policy as it evolves. The banking sector poses no systemic risk, and is one of the sectors with positive growth and valuations at levels that discount exposure to corporate bonds and property lending. We believe our bank holdings will recover given their convincing fundamentals and good asset quality. Retail also has growth prospects despite the possibility of lower consumer spending, and our strategic holdings in industry leaders will remain unchanged. For property, earnings are likely muted and the Fund is very selective with a preference for financially sound mid-cap developers with ready-to-launch projects in top locations and depressed valuations.

Le Yen Quynh

Portfolio Manager

Vietnam Equity (UCITS) Fund

Statement of Financial Position

Vietnam Equity (UCITS) Fund

		As at 31 December 2022 US\$	As at 30 June 2022 US\$
	Notes		
<u>Assets</u>			
<i>Financial assets at fair value through profit or loss:</i>			
- Transferable securities	2,12	255,176,668	290,301,554
Cash and cash equivalents	2	6,253,703	3,608,139
Subscriptions receivable		2,617,010	-
Receivable for investments sold		2,883,527	6,376,861
Other assets and receivables	6	678,693	210,822
Total assets		267,609,601	300,497,376
<u>Liabilities</u>			
Redemption payable		(7,050)	(112)
Payable for investment purchased		(4,247,441)	(1,414,924)
Other liabilities and accrued expenses	7	(759,268)	(833,771)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		(5,013,759)	(2,248,807)
<u>Net assets attributable to holders of redeemable participating shares</u>		262,595,842	298,248,569
		31 December 2022	30 June 2022
Redeemable participating shares outstanding at the end of the financial period			31 December 2021
Class A	5	7,626,465	7,078,413
Class B	5	52,128	43,728
Net Asset Value per redeemable participating share			
Class A		\$24.90	\$31.32
Class B		€1,308.05	€1,670.90
			\$39.82
			€1,959.96

The accompanying notes are an integral part of these financial statements.

DC Developing Markets Strategies plc

Statement of Comprehensive Income

Vietnam Equity (UCITS) Fund

	Notes	For the six months ended 31 December 2022 US\$	For the six months ended 31 December 2021 US\$
Income			
Net (loss)/gain on financial assets and financial liabilities at fair value through profit or loss and foreign exchange	13	(57,484,485)	23,364,187
Dividend income	2	2,403,038	861,999
Other income	2	31,103	33,082
Total net (loss)/income		(55,050,344)	24,259,268
Expenses	4,8	(3,771,089)	(2,895,224)
(Decrease)/increase in net assets attributable to holders of redeemable participating shares before tax		(58,821,433)	21,364,044
Withholding tax		-	-
(Decrease)/increase in net assets attributable to holders of redeemable participating shares from operations		(58,821,433)	21,364,044

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares

	Vietnam Equity (UCITS) Fund	
	For the six months ended 31 December 2022	For the six months ended 31 December 2021
	US\$	US\$
Net assets attributable to holders of redeemable participating shares at start of the financial period	298,248,569	199,597,799
Shares issued	55,115,248	91,168,419
Shares redeemed	(31,946,542)	(48,363,438)
Net increase in net assets from share transactions	23,168,706	42,804,981
(Decrease)/increase in net assets attributable to holders of redeemable participating shares from operations	(58,821,433)	21,364,044
Net assets attributable to holders of redeemable participating shares at the end of the financial period	262,595,842	263,766,824

The accompanying notes are an integral part of these financial statements.

DC Developing Markets Strategies plc

Statement of Cash Flows

Vietnam Equity (UCITS) Fund

	For the six months ended 31 December 2022 US\$	For the six months ended 31 December 2021 US\$
Cash flows from operating activities		
(Decrease)/increase in net assets attributable to holders of redeemable participating shares from operations	(58,821,433)	21,364,044
Net decrease/(increase) in financial assets at fair value through profit or loss	41,450,737	(70,793,346)
Net (increase)/decrease in other assets and receivables	(467,871)	12,114
Net (decrease)/increase in other liabilities and accrued expenses	(74,503)	21,722
Net cash outflow from operating activities	(17,913,070)	(49,395,466)
Cash flows from financing activities		
Proceeds from issue of redeemable shares	52,498,238	91,168,419
Payments for redeemable shares redeemed	(31,939,604)	(48,363,438)
Net cash inflow from financing activities	20,558,634	42,804,981
Net increase/(decrease) in cash and cash equivalents	2,638,514	(6,590,485)
Reconciliation of cash movement during the financial period		
Net cash and cash equivalents at the beginning of the financial period	3,608,139	13,315,104
Net cash and cash equivalents at the end of the financial period	6,253,703	6,724,619
Supplemental information		
Dividends received	1,936,486	871,314

The accompanying notes are an integral part of these financial statements.

<p>Notes to the Financial Statements For the six months ended 31 December 2022</p>

1. General Information

DC Developing Markets Strategies plc (the “Company”) is an open-ended umbrella investment company with variable capital organised under the laws of Ireland as a public limited company authorised in Ireland by the Central Bank of Ireland as an Undertaking for Collective Investment in Transferable Securities (“UCITS”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as amended (collectively, the “Regulations”). It was incorporated on 30 May 2013 with registration number 528310.

The Company has one sub-fund in existence, Vietnam Equity (UCITS) Fund (the “sub-fund”) which commenced operations on 30 September 2013. The investment objective of the sub-fund is as follows:

Vietnam Equity (UCITS) Fund

The investment objective of the sub-fund is to seek medium to long-term capital appreciation of its assets. The sub-fund seeks to achieve its objective by investing in a portfolio of primarily equity securities, but also in debt securities, of companies operating in Vietnam or with significant exposure to Vietnam. In respect of the companies in which the sub-fund will invest, these companies may have any market capitalisation and operate in any industry. The Investment Manager will invest in securities which are, in its opinion, undervalued or fairly valued but which have good growth potential. In respect of the debt securities in which the sub-fund will invest, these may be fixed or floating rate and may have any credit rating or may be unrated. The securities comprising the portfolio will be traded on the Stock Trading Center of Vietnam in Ho Chi Minh City, the Hanoi Stock Exchange or on another Recognised Market.

The sub-fund may also hold cash or other short term investments such as commercial paper or certificates of deposit. Under normal market conditions, it is not expected that the sub-fund will be invested substantially in cash or other short-term investments. However, where the Investment Manager considers it prudent to do so (for example when the Investment Manager is unable to identify suitable investment opportunities or in times of falling markets or market volatility), the sub-fund may hold more cash or other short term investments than other assets.

2. Significant Accounting Policies

Basis of Preparation

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union and the Regulations.

The Company’s management has made an assessment of the Company’s ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company’s ability to continue as a going concern. Therefore, the financial statements are prepared on the going concern basis.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including financial derivative instruments) at fair value through profit or loss.

These financial statements are presented in US\$, which is the Company’s functional currency.

The investments underlying the Company do not take into account the EU criteria for environmentally sustainable economic activities.

The accounting policies applied by the Company in these unaudited semi-annual financial statements are the same as those applied by the Company in its annual financial statements as at and for the year ended 30 June 2022.

Notes to the Financial Statements (continued) For the six months ended 31 December 2022

2. Significant Accounting Policies (continued)

New accounting standards effective for the financial period beginning 1 July 2022

There are no new standards and interpretations that are effective for the financial period beginning 1 July 2022 that have a significant impact on the Company.

New standards and interpretations issued but not effective for the financial period beginning 1 July 2022 and not early adopted

There are no new standards and interpretations issued but not effective for the financial period beginning 1 July 2022 that are expected to have a significant impact on the Company.

Financial assets and liabilities

(i) Classification and measurement

Under IFRS 9, a financial asset is classified as measured at: amortised cost; Fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”). The classification of financial assets under IFRS 9 is based on the business model in which a financial asset is managed and on its contractual cash flow characteristics.

In assessing the objective of the business model in which a financial asset is held, the Company considers all of the relevant information about how the business is managed, including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining an interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash flows or realising cash flows through the sale of the assets;
- how the performance of the entity is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the Investment Manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Based on the above evaluation, the Company's investments are classified at FVTPL. All other financial assets are classified as being measured at amortised cost. The Company's financial liabilities are classified at amortised cost.

(ii) Recognition and derecognition

Regular purchases and sales of investments are recognised on the trade date, the date on which the Company committed to purchase or sell the investment. Other financial assets and financial liabilities are recognised on the day on which they are originated.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or the Company has transferred substantially all risks and rewards of ownership. Realised gains and losses are presented in the Statement of Comprehensive Income as net gain or loss on financial assets and financial liabilities at fair value through profit or loss and foreign exchange.

Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged.

(iii) Initial and subsequent measurement

Financial instruments categorised at fair value through profit or loss are measured initially at fair value, with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income. Financial assets and liabilities not at fair value through profit or loss are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue. From the trade date, any gains or losses arising from changes in fair value of the financial assets or financial liabilities are recorded in the Statement of Comprehensive Income.

Realised gains and losses on disposals of financial instruments are calculated using the Weighted Average method.

Notes to the Financial Statements (continued) For the six months ended 31 December 2022

2. Significant Accounting Policies (continued)

Financial assets and liabilities (continued)

(iv) Fair value measurement

‘Fair value’ is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as ‘active’ if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis. The Company measures instruments quoted in an active market at the last traded price.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Company recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

(v) Impairment

In accordance with IFRS 9, the Company applies the ‘expected credit loss’ (“ECL”) model when determining if financial assets are subject to impairment. This impairment model applies to financial assets measured at amortised cost and an assessment is required to determine if an ECL is required. The Company has determined that the application of IFRS 9’s impairment requirements results in no ECL impairment as the cash and cash equivalents, receivable for investments sold, other receivables and other payables are short-term in nature.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to offset the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at fair value through profit or loss and foreign exchange gains and losses.

Foreign currency translation

Functional and presentation currency

Determination of functional currency

Functional currency is the currency of the primary economic environment in which the Company operates. When indicators of the primary economic environment are mixed, management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. Management have determined that the functional currency of the Company and the sub-fund is USD (“US\$”). Investor subscriptions and redemptions are received and paid in the currency of the relevant share class which is mostly US\$.

Transactions and balances

Foreign currency transactions which occur are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the reporting currency using the exchange rate prevailing at the period end date.

Foreign exchange gains and losses arising from translation are included in the Statement of Comprehensive Income.

Foreign exchange gains and losses relating to cash and cash equivalents and financial assets and financial liabilities at fair value through profit or loss are presented in the Statement of Comprehensive Income within net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss and foreign exchange.

<p>Notes to the Financial Statements (continued) For the six months ended 31 December 2022</p>

2. Significant Accounting Policies (continued)

Financial assets and liabilities (continued)

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less and bank overdrafts.

Expenses

Expenses are recognised in the Statement of Comprehensive Income on an accrual basis.

Income

Dividend income is recognised in the Statement of Comprehensive Income on the date the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date when shareholders have approved the payment of a dividend.

Bank interest income is recognised in the Statement of Comprehensive Income using the effective interest rate and included within other income.

Redeemable participating shares

Redeemable participating shares for each share class are redeemable at the holder's option. Such shares are classified as financial liabilities. Redeemable participating shares can be put back to the Company at any time for cash equal to a proportionate share of the net asset value ("NAV") attributable to the share class. The redeemable participating shares are carried at the redemption amount that is payable at the Statement of Financial Position date if the holder exercises the right to put the share back to the Company. Redeemable participating shares are issued and redeemed at the holder's option at prices based on the NAV per share at the time of issue or redemption.

NAV per share is calculated by dividing the net assets attributable to the holders of each share class of redeemable participating shares with the total number of outstanding redeemable shares for each respective share class. In accordance with the provisions of the Company's Prospectus, investment positions are valued based on the last traded market price for the purpose of determining the NAV per share for subscriptions and redemptions.

Transactions costs

Transaction costs are defined as the incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When a financial asset or financial liability is recognised initially, an entity shall measure it at its fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Transaction costs on purchases and sales of equities and custody transaction costs are separately identifiable transaction costs and the total costs incurred by the sub-fund during the financial period are disclosed in Note 3.

Estimates and judgments

In preparing these financial statements, the Company has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Gains and Losses

Net gains and losses from financial instruments at fair value through profit or loss and foreign exchange includes all realised gains and losses and unrealised gains and losses from fair value changes and foreign exchange differences.

Notes to the Financial Statements (continued)
For the six months ended 31 December 2022

3. Taxation

The Company is an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997. The Company will not be liable to Irish tax in respect of its income and gains, other than on the occurrence of a chargeable event. Generally a chargeable event arises on any distribution, redemption, repurchase, cancellation, or transfer of shares or on the ending of a “Relevant Period”. A “Relevant Period” is defined as an eight year period beginning with the acquisition of the shares by the shareholder and each subsequent period of eight years beginning immediately after the preceding Relevant Period.

A gain on a chargeable event does not arise in respect of:

- (i) a shareholder who is not Irish resident and not ordinarily resident in Ireland at the time of the chargeable event, provided the necessary signed statutory declarations are held by the Company; or
- (ii) certain exempted Irish resident investors who have provided the Company with the necessary signed statutory declarations; or
- (iii) any transactions in relation to shares held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland; or
- (iv) an exchange of shares in the Company for other shares in the Company; or
- (v) an exchange of shares arising on a qualifying amalgamation or reconstruction of the Company with another collective investment undertaking; or
- (vi) certain exchanges of shares between spouses and former spouses.

In the absence of an appropriate declaration, the Company will be liable to Irish tax on the occurrence of a chargeable event.

There were no chargeable events during the period under review.

Capital gains, dividends and interest received may be subject to withholding taxes imposed by the country of origin and such taxes may not be recoverable by the Company or its shareholders.

4. Expenses

The following table is an analysis of expenses for the financial periods ended 31 December 2022 and 31 December 2021:

	Vietnam Equity (UCITS) Fund	
	2022	2021
	US\$	US\$
Expenses		
Investment Management fees (net) ⁽ⁱ⁾	2,525,438	2,124,374
Management fees	39,149	15,896
Transaction costs	586,738	365,308
Administration fees	127,736	120,042
Depositary fees	161,106	132,584
Directors fees	20,273	36,050
Audit fees	14,283	14,404
Other expenses	296,366	86,566
Total expenses	3,771,089	2,895,224

(i) The Investment Manager has undertaken to limit the annual expenses through the use of an expenses cap. The Investment Management fees included above are net of such reimbursement. The application of the expenses cap resulted in a total reimbursement of US\$10,126 (31 December 2021: US\$33,107) during the period. For further detail, please see note 8(a).

<p>Notes to the Financial Statements (continued) For the six months ended 31 December 2022</p>

5. Share Capital

The maximum authorised share capital of the Company is 100,000,000,000 shares of no par value and 500,000 subscriber shares of US\$1 each. The subscriber shares do not entitle the holders to any dividend and on a winding up entitle the holder to receive the amount paid up thereon but not otherwise to participate in the assets of the Company. Two share classes were in issue at 31 December 2022 (30 June 2022: Two) namely, Class A Shares and Class B Shares (together, the “Shares”).

Each of the Shares entitles the holder to attend and vote at meetings of the Company. No Class of Shares confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other Class of Shares or any voting rights in relation to matters relating solely to any other Class of Shares. Any resolution to alter the rights of the Shares requires the approval of three quarters of the holders of the Shares (or where relevant, the particular Class thereof) in writing or else represented or present and voting at a general meeting duly convened in accordance with the Articles of Association.

Shares will be offered on each Subscription Date (Subscription Dealing Deadline: 2:00 pm Dublin time) at an issue price per Share equal to the net asset value per Share at the relevant Valuation Point, together with any duties and charges and any subscription fee. Requests for redemption may be made by fax, email or swift/stp messages to the Administrator and must be made no later than 2:00 pm (Dublin time) on the Business Day immediately prior to the relevant Redemption Date. Redemption requests not received by the times set out above may, at the absolute discretion of the Directors, be held over and applied on the next following applicable Redemption Date. For both Class A Shares and Class B Shares, subscriptions and redemptions may be made on every Business Day or such other Business Day as the Directors may determine provided that there shall not be less than one Subscription Date or Redemption Date in each fortnightly period and all shareholders will be notified in advance.

Investors, in the case of an initial subscription into the Company, must subscribe for at least the Minimum Initial Subscription amount; US\$10 in respect of Class A Shares and €1,000,000 in respect of Class B Shares. In addition, up until 10 August 2021, investors in the Class B Shares also had to comply with the Minimum Subsequent Subscription amount of €100,000 and, on the anniversary of a Shareholder’s initial subscription for Class B Shares, the Minimum Holding amount of €5,000,000. In the revised supplement dated 10 August 2021, the Minimum Subsequent Subscription amount of €100,000 for Class B Shares has been abolished and the Minimum Holding amount for Class B Shares changed from €5,000,000 to €1,000,000.

Please see note 8 for further detail on fees relating to Class A Shares and Class B Shares.

Capital Management

The capital of the Company is represented by the net assets attributable to shareholders. The amount of net assets attributable to shareholders can change significantly on a daily basis as the Company is subject to subscriptions and redemptions within the terms of the Company’s Prospectus and Supplements as well as changes resulting from performance. The Company’s objective when managing capital is to safeguard the Company’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Company.

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Notes to the Financial Statements (continued) For the six months ended 31 December 2022

5. Share Capital (continued)

Capital Management (continued)

The following table shows the movement in the number of redeemable shares for the financial period ended 31 December 2022:

Vietnam Equity (UCITS) Fund

Class A (USD)	Total		US\$
Opening balance	7,078,413		
Shares issued	1,419,147		
Shares transferred in	49,535	Subscriptions	37,441,514
Shares transferred out	(49,535)	Transfers In	1,329,103
Shares redeemed	(871,095)	Transfers Out	(1,329,103)
Closing balance	<u>7,626,465</u>	Redemptions	(25,062,130)

Vietnam Equity (UCITS) Fund

Class B (EUR)*	Total		US\$
Opening balance	43,727		
Shares issued	12,946	Subscriptions	17,673,734
Shares transferred in	1,103	Transfers In	1,676,884
Shares transferred out	(1,103)	Transfers Out	(1,676,884)
Shares redeemed	(4,545)	Redemptions	(6,884,412)
Closing balance	<u>52,128</u>		

The following table shows the movement in the number of redeemable shares for the financial year ended 30 June 2022:

Vietnam Equity (UCITS) Fund

Class A (USD)	Total		US\$
Opening balance	3,785,661		
Shares issued	5,803,736	Subscriptions	216,167,726
Shares transferred in	230,358	Transfers In	8,467,956
Shares transferred out	(230,358)	Transfers Out	(8,467,956)
Shares redeemed	(2,510,984)	Redemptions	(94,096,804)
Closing balance	<u>7,078,413</u>		

Vietnam Equity (UCITS) Fund

Class B (EUR)*	Total		US\$
Opening balance	29,281		
Shares issued	26,642	Subscriptions	55,333,131
Shares transferred in	1,561	Transfers In	3,211,293
Shares transferred out	(1,561)	Transfers Out	(3,211,293)
Shares redeemed	(12,195)	Redemptions	(25,716,660)
Closing balance	<u>43,728</u>		

*This share class is not hedged.

Significant shareholders

There were no significant shareholders as at 31 December 2022 and 30 June 2022.

Notes to the Financial Statements (continued)
For the six months ended 31 December 2022

6. Other Assets and Receivables

	Vietnam Equity (UCITS) Fund	
	31 December 2022	30 June 2022
	US\$	US\$
Prepayments	2,556	1,237
Dividends receivable	676,137	209,585
	678,693	210,822

7. Other Liabilities and Accrued Expenses

	Vietnam Equity (UCITS) Fund	
	31 December 2022	30 June 2022
	US\$	US\$
Investment Management fees payable (net)	395,976	476,842
Management fees payable	10,648	13,582
Transaction costs payable	78,470	68,365
Administration fees payable	21,175	49,244
Depositary fees payable	24,080	24,603
Directors fees payable	-	17,593
Audit fees payable	12,461	24,626
Other expenses payable	216,458	158,916
	759,268	833,771

8. Significant Agreements and Related Party and Connected Person Transactions

(a) Investment Management fees

Under the provisions of the investment management agreement, the Company will pay the Investment Manager a fee in respect of its duties as investment manager at an agreed upon percentage of the closing NAV of the relevant sub-fund (plus VAT, if any) prior to the accrual of the investment management fee as of each Valuation Date.

Vietnam Equity (UCITS) Fund will pay the Investment Manager a fee of 2% per annum of the NAV of Class A Shares and a fee of 1.5% per annum of the NAV of Class B Shares as of the relevant Valuation Date (plus VAT, if any).

The investment management fee will accrue daily and will be payable monthly in arrears (and pro rata for lesser periods), for Vietnam Equity (UCITS) Fund.

The Investment Manager shall also be entitled to be repaid all of its reasonable out of pocket expenses incurred in the performance of its duties.

The Investment Manager shall pay, out of its own funds, the fees payable to any sub-investment managers, investment advisers or other service providers that it may appoint from time to time and may pay all or any part of its investment management fee to such other parties.

The Investment Manager has undertaken to limit the annual expenses borne by the Class A Shares through the use of an expense cap of 2.5% of the average daily net asset value of the Class A Shares, excluding transaction costs. To achieve this, the Investment Manager will absorb either directly or indirectly by waiving a portion of its management fees for the Class A Shares or by reimbursement to the sub-fund, any annual expenses over the applicable expense cap that may arise.

Investment Management fees incurred by the Vietnam Equity (UCITS) Fund during the period amounted to US\$2,525,438 (31 December 2021: US\$2,124,374), of which US\$395,976 (30 June 2022: US\$476,842) was payable at period end. As detailed above, the Investment Manager has undertaken to limit the annual expenses through the use of an expenses cap. The application of the expenses cap resulted in a total reimbursement of US\$10,126 (31 December 2021: US\$33,107) during the period with US\$Nil (30 June 2022: US\$671) receivable to be offset against management fees payable as at 31 December 2022. The Investment Manager's management fee within expenses in the Statement of Comprehensive Income is net of reimbursement.

Notes to the Financial Statements (continued)
For the six months ended 31 December 2022

8. Significant Agreements and Related Party and Connected Person Transactions (continued)

(b) Management fees

Under the provisions of the Management Agreement, the Manager is entitled to a fee for the provision of its duties as Manager to the Company.

The following fees are payable to the Manager by the Company. The fees are calculated based on the closing net asset value of each sub-fund as of the prior valuation date. The management fee will accrue daily and will be payable monthly in arrears (and pro rata for lesser periods).

<i>Net Assets</i>	<i>Management Fee as a % of NAV</i>
€0 - €250 million	0.025%
€250 million - €500 million	0.020%
€500 million - €1 billion	0.015%
€1 billion and greater	0.010%

The management fees will be subject to a minimum fee of €50,000 per annum based on a single sub-fund and €12,500 per annum per each additional sub-fund.

Management fees incurred by the Company during the period amounted to US\$39,149 (31 December 2021: US\$15,896), of which US\$10,648 (30 June 2022: US\$13,582) was payable at period end.

(c) Administration fees

Under the provisions of the Administration Agreement, the Administrator is entitled to a fee for the provision of fund accounting and administrative services.

The following fees are payable to the Administrator by the Company. The Company will be charged the greater of the basis point fee or the monthly minimum fee. The basis point fee is calculated based on the closing net assets of each sub-fund as of the prior valuation date. Fees are calculated on a daily basis for daily valued funds, weekly for weekly valued funds and monthly for monthly valued funds. Fees are invoiced and payable monthly in arrears.

<i>Net Assets</i>	<i>Basis Points</i>
First \$ 250 million	8.0
Next \$ 250 million	7.0
AUM over \$500 million	6.0
Monthly Minimum Fee	US\$8,333.33

Administrator fees incurred by the Company during the period amounted to US\$127,736 (31 December 2021: US\$120,042), of which US\$21,175 (30 June 2022: US\$49,244) was payable at period end.

(d) Depositary fees

Under the provisions of the Depositary Agreement, the Depositary is entitled to a fee for trustee and custody services.

The following fees are payable to the Depositary by the Company. The Company is charged the greater of the basis point fee or the monthly minimum fee. The basis point fee is calculated based on the closing net assets of each sub-fund as of the prior valuation date. Fees are calculated on a daily basis for daily valued funds, weekly for weekly valued funds and monthly for monthly valued funds. Fees are invoiced and payable monthly in arrears.

<i>Net Assets</i>	<i>Basis Points</i>
First \$ 250 million	3.5
Next \$ 250 million	3.0
AUM over \$500 million	2.5
Monthly Minimum Fee	US\$2,083.33

Depositary fees incurred by the Company during the period amounted to \$161,106 (31 December 2021: US\$132,584), and US\$24,080 (30 June 2022: US\$24,603) was payable at period end.

Notes to the Financial Statements (continued)
For the six months ended 31 December 2022

8. Significant Agreements and Related Party and Connected Person Transactions (continued)

(e) Directors' fees

The Directors shall be entitled to a fee in remuneration for their services at a rate to be determined from time to time by the Directors, but so that the aggregate amount of Directors' remuneration in any one year shall not exceed US\$75,000. The Directors may also be reimbursed for expenses incurred in connection with the business of the Company and may, if the Directors so determine (and subject to subsequent Shareholder ratification in a general meeting), receive additional remuneration for special services rendered to or at the request of the Company. Such fees and expenses shall be payable by the Company.

The Directors as noted on page 3 are treated as related parties.

Total Directors' fees charged for the financial period ended 31 December 2022 amounted to US\$20,273 (31 December 2021: US\$36,050) and US\$Nil remained payable as at 31 December 2022 (30 June 2022: US\$17,593). Rachel Nancy Hill is also an employee of Dragon Capital Markets (Europe) Limited, an affiliate of Dragon Capital Management (HK) Limited, who provide investment management services to the Company, and does not receive director fees as a result.

Transactions involving Directors

The Directors are not aware of any contracts or arrangements of any significance in relation to the business of the Company in which the Directors had any interest as defined in the Companies Act 2014 at any time during the period ended 31 December 2022 and 31 December 2021.

(f) Other related party transactions

Dragon Capital Markets Limited, an affiliate Company of the Investment Manager, owns a 30.07% (30 June 2022: 30.07%) holding in Hochiminh City Securities Company (HSC). HSC is an authorised brokerage firm used by Vietnam Equity (UCITS) Fund. The trading transaction volume with HSC accounted for approximately 23.52% (31 December 2021: 22.41%) of the sub-fund's six-month trading transaction volume. Transaction fees in relation to trading with HSC amounted to US\$241,278 (31 December 2021: US\$124,855) for the period ended 31 December 2022 with US\$10,662 (30 June 2022: US\$4,072) remaining payable as at 31 December 2022.

Dragon Capital Markets Limited held 194,750 of Class A Shares issued by the Vietnam Equity (UCITS) Fund as at 31 December 2022 (30 June 2022: 361,536).

At 31 December 2022, the 2 subscriber shares in issue were held by an affiliated company of the Investment Manager.

(g) Connected Persons

Regulation 43 ("Restrictions on transactions with connected persons") of the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations"), states that "A responsible person shall ensure that any transaction between a UCITS and a connected person is conducted a) at arm's length, and b) in the best interest of the unit-holders of the UCITS".

As required under Central Bank UCITS Regulation 81.4, the Directors of the Manager, as responsible persons, are satisfied that there are arrangements in place, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 43(1) are applied to all transactions with a connected person; and all transactions with connected persons that were entered into during the financial period complied with the obligations that are prescribed by Regulation 43(1).

9. Total Expense Ratio

The Total Expense Ratio (TER) of the Company is listed below:

		Vietnam Equity (UCITS) Fund	
		12 months ended 31 December 2022	12 months ended 31 December 2021
TER	Class A (USD)	2.38%	2.44%
	Class B (EUR)	1.89%	1.86%

Notes to the Financial Statements (continued)
For the six months ended 31 December 2022

10. Efficient Portfolio Management

The Company may, for the purpose of efficient portfolio management, employ techniques and instruments relating to transferable securities and/or other financial instruments in which it invests.

Vietnam Equity (UCITS) Fund may hold warrants and convertible bonds for investment purposes.

The Company uses the commitment method to calculate global exposure.

11. Financial Instruments and Associated Risks

In accordance with IFRS 7 (“Financial Instruments: Disclosures”), this note details the way in which the Company manages risks associated with the use of financial instruments. These risks include credit risk, liquidity risk and market risk (which in turn includes currency risk, interest rate risk and price risk).

Strategy in using the Financial Instruments

The sub-fund may take exposure to certain of these risks to generate investment returns on its portfolio, although these risks can also potentially result in a reduction of the sub-fund's net assets. The Investment Manager will use its best endeavours to minimise the potentially adverse effects of these risks on the sub-fund's performance where it can do so while still managing the investments of the sub-fund in a way that is consistent with the sub-fund's investment objective and policy. The risks, and the measures to be adopted by the sub-fund for managing these risks, are detailed below:

Market Price Risk

Market price risk is defined as the risk that the fair value of a financial instrument or its future cash flows will fluctuate because of changes in market prices.

In accordance with the Company's policy, the Investment Manager monitors the sub-fund's positions on a daily basis and reports regularly to the Board of Directors, which reviews the information on the sub-fund's overall market exposures provided by the Investment Manager at its periodic meetings. The Investment Manager considers the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the sub-fund's investment objectives. In addition, use of derivative instruments to hedge the investment portfolio against the market risk is not undertaken. The Investment Manager moderates this risk through diversification, a careful selection of securities within specified limits.

An analysis of investments by geographical and industry sector as at 31 December 2022 and 30 June 2022 is shown below:

Vietnam Equity (UCITS) Fund

	31 December 2022	31 December 2022	30 June 2022	30 June 2022
	US\$	% of NAV	US\$	% of NAV
<i>Geographical Exposure</i>				
Vietnam	255,176,668	97.17%	290,301,554	97.34%
<i>Industry Exposure</i>				
Air Freight & Logistics	5,001,285	1.90%	4,590,284	1.54%
Banks	65,783,278	25.05%	63,315,093	21.23%
Capital Markets	10,225,795	3.89%	21,254,769	7.13%
Chemicals	30,123,259	11.47%	29,141,255	9.77%
Construction & Engineering	24,667,856	9.39%	13,468,613	4.52%
Electricity & Energy	2,700,190	1.03%	-	0.00%
Gas Utilities	9,392,975	3.58%	9,267,710	3.11%
IT Services	19,384,389	7.38%	20,459,813	6.86%
Metals & Mining	-	0.00%	10,541,470	3.53%
Real Estate Management & Development	46,869,004	17.85%	73,850,068	24.76%
Speciality Retail	15,355,611	5.85%	27,039,106	9.07%
Textiles, Apparel & Luxury Goods	22,450,596	8.55%	10,207,494	3.42%
Transportation Infrastructure	3,222,430	1.23%	7,165,879	2.40%

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Notes to the Financial Statements (continued) For the six months ended 31 December 2022

11. Financial Instruments and Associated Risks (continued)

Market Price Risk (continued)

If the price of the sub-fund's underlying investments had increased by 10% with all variables constant, the impact would have been as shown in the table below:

31 December 2022

	Vietnam Equity (UCITS) Fund US\$	10% sensitivity US\$
Equities	255,176,668	25,517,667
Total	255,176,668	25,517,667

30 June 2022

	Vietnam Equity (UCITS) Fund US\$	10% sensitivity US\$
Equities	290,301,554	29,030,155
Total	290,301,554	29,030,155

Currency Risk

Currency risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The sub-fund can be exposed to currency risk as assets and liabilities of the sub-fund may be denominated in a currency other than its functional currency, which is US\$.

The fluctuations in the rate of exchange between the currency in which the asset or liability is denominated and the functional currency could result in an appreciation or depreciation in the fair value of the related assets. The Investment Manager may attempt to mitigate the risk by holding a diversified portfolio of investments in numerous underlying currencies thus diversifying the risk.

In accordance with the Company's policy, the Investment Manager monitors the sub-fund's currency exposures on a daily basis and reports regularly to the Board of Directors, which reviews the information provided by the Investment Manager on any significant exposures at its periodic meetings.

An adverse movement of 10% in currencies at 31 December 2022 would have decreased the net assets attributable to holders of redeemable shares by US\$25,933,229 (30 June 2022: US\$26,400,317). An equal change in the opposite direction would have increased the net assets attributable to holders of redeemable shares by an equal but opposite amount.

At 31 December 2022, the Vietnam Equity (UCITS) Fund had the following currency exposure:

Currency of Investment	Monetary Assets and Liabilities (US\$)	Non-Monetary Assets and Liabilities (US\$)	Total Exposure (US\$)	(%) of Net Assets	10% Sensitivity (US\$)
EUR	346,961	-	346,961	0.13%	34,696
VND	3,808,660	255,176,668	258,985,328	98.63%	25,898,533

At 30 June 2022, the Vietnam Equity (UCITS) Fund had the following currency exposure:

Currency of Investment	Monetary Assets and Liabilities (US\$)	Non-Monetary Assets and Liabilities (US\$)	Total Exposure (US\$)	(%) of Net Assets	10% Sensitivity (US\$)
EUR	101,611	-	101,611	0.03%	9,238
VND	7,500,702	290,301,554	297,802,256	99.85%	26,391,079

Notes to the Financial Statements (continued) For the six months ended 31 December 2022

11. Financial Instruments and Associated Risks (continued)

Interest Rate Risk

Interest rate risk is defined as the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates.

In accordance with the Company's policy, the Investment Manager monitors the sub-fund's interest rate exposures on a daily basis and reports regularly to the Board of Directors, which reviews the information provided by the Investment Manager on any significant exposures at its periodic meetings.

No bonds or other interest rate sensitive investments were held at 31 December 2022 (30 June 2022: Nil).

As at 31 December 2022, 2.38% (30 June 2022: 1.21%) of the net assets of the sub-fund was held as cash at bank. This receives interest on a variable rate basis and hence if interest rates change so will the income of the sub-fund. Higher interest rates will lead to higher income and vice versa. The sub-fund is not exposed to significant interest rate risk.

Credit Risk

Credit risk is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The sub-fund is exposed to a credit risk with parties with whom it trades. The sub-fund's main credit risk concentration is with the Depositary/Sub-Custodian where the sub-fund's cash deposits and assets are held. Bankruptcy or insolvency of the Depositary/Sub-Custodian may cause the sub-fund's rights with respect to the cash and securities held by the Depositary/Sub-Custodian to be delayed or limited. The credit rating for Standard Chartered Bank (Singapore) Limited, the sub-custodian of the Company, as at 31 December 2022 was A (30 June 2022: A) published by Standard & Poor's. If the Depositary/Sub-Custodian defaults, the sub-fund would be an unsecured creditor. The maximum risk is the amounts of cash, investments and receivables.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the broker has received the securities. The trade will fail if either party fails to meet its obligation.

Credit risk arising from transactions awaiting settlement is considered small due to the short settlement period involved. The maximum exposure related to unsettled trades equals the amounts shown on the Statement of Financial Position.

In accordance with the Company's policy, the Investment Manager monitors the sub-fund's credit risk exposures on a daily basis and reports regularly to the Board of Directors, which reviews the information provided by the Investment Manager on any significant exposures at its periodic meetings.

Liquidity Risk

Liquidity risk is defined as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities as they fall due. The sub-fund may be exposed to cash redemptions of redeemable shares. As a result, the Company has adopted risk management guidelines in order to mitigate liquidity risk by: investing in listed securities that are considered to be readily realisable as they are listed on recognised stock exchanges which ensures that there is no significant exposure to illiquid or thinly traded financial instruments; and applying limits to ensure that there is no undue concentration of liquidity risk to a particular counterparty or market.

In accordance with the Company's policy, the Investment Manager monitors the sub-fund's liquidity risk exposures on a daily basis and reports regularly to the Board of Directors, which reviews the information provided by the Investment Manager on any significant exposures at its periodic meetings.

All liabilities of the sub-fund including net assets attributable to holders of redeemable participating shares are due within one month.

Notes to the Financial Statements (continued)
For the six months ended 31 December 2022

11. Financial Instruments and Associated Risks (continued)

Custody and Title Risk

The Depositary is under a duty to take into custody and to hold the property of the sub-fund of the Company on behalf of its shareholders. The Central Bank of Ireland requires the Depositary to hold legally separate the non-cash assets of each sub-fund and to maintain sufficient records to clearly identify the nature and amount of all assets that it holds, the ownership of each asset and where the documents of title to such assets are physically located. When the Depositary employs a Sub-Custodian the Depositary retains responsibility for the assets of the sub-fund.

However, it should be noted that not all jurisdictions have the same rules and regulations as Ireland regarding the custody of assets and the recognition of the interests of a beneficial owner such as a sub-fund. Therefore, in such jurisdictions, there is a risk that if a Sub-Custodian becomes bankrupt or insolvent, the sub-fund's beneficial ownership of the assets held by such Sub-Custodian may not be recognised and consequently the creditors of the Sub-Custodian may seek to have recourse to the assets of the sub-fund. In those jurisdictions where the sub-fund's beneficial ownership of its assets is ultimately recognised, the sub-fund may suffer delay and cost in recovering those assets.

The Company may invest in markets where custodial and/or settlement systems are not fully developed. The assets of a company which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of such sub-custodians is necessary, may be exposed to risk in circumstances whereby the Depositary will have no liability.

12. Fair Value Hierarchy

IFRS 13 *Fair Value Measurement* requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Certain inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The determination of what constitutes "observable" requires significant judgement by the Investment Manager. The Investment Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following tables summarise the sub-fund's financial instruments measured at fair value within the fair value hierarchy as at 31 December 2022 and 30 June 2022:

31 December 2022

Vietnam Equity (UCITS) Fund

Financial instruments measured at fair value

	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	Fair Value US\$
Financial assets at fair value through profit or loss:				
Equities	245,457,674	-	9,718,994	255,176,668
	245,457,674	-	9,718,994	255,176,668

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Notes to the Financial Statements (continued) For the six months ended 31 December 2022

12. Fair Value Hierarchy (continued)

As at 31 December 2022, a security with a fair value of US\$9,718,994 was not listed nor frequently traded and therefore has been classified as Level 3 within the fair value hierarchy.

There were no transfers between levels during the period ended 31 December 2022.

30 June 2022

Vietnam Equity (UCITS) Fund

Financial instruments measured at fair value

	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	Fair Value US\$
Financial assets at fair value through profit or loss:				
Equities	280,417,583	-	9,883,971	290,301,554
	280,417,583	-	9,883,971	290,301,554

As at 30 June 2022, a security with a fair value of US\$9,883,971 was not listed nor frequently traded and therefore has been classified as Level 3 within the fair value hierarchy.

There were no transfers between levels during the year ended 30 June 2022.

Level 3 Investments

The table below shows a reconciliation from the beginning balances to the ending balances for financial instruments classified as Level 3 in the fair value hierarchy for the period ended 31 December 2022 and year ended 30 June 2022:

	31 December 2022	30 June 2022
	US\$	US\$
Balance as at start of period/year	9,883,971	-
Purchases	-	9,917,213
Sales	-	-
Net realised gain on financial assets at fair value through profit or loss and foreign exchange	-	-
Change in unrealised loss on financial assets at fair value through profit or loss and foreign exchange	(164,977)	(33,242)
Balance as at end of period/year	<u>9,718,994</u>	<u>9,883,971</u>

Valuation Techniques

The valuation techniques used in determining the fair value of the level 3 securities require significant judgement, and as such result in a level 3 fair value classification. The valuation techniques are detailed in the tables below and overleaf.

Instrument Type	Fair Value at 31 December 2022 US\$	Valuation Methodologies	Unobservable Inputs	Range for Unobservable Input
Equity Securities	9,718,994	Price-based	Recent price	VND50,000

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Notes to the Financial Statements (continued) For the six months ended 31 December 2022

12. Fair Value Hierarchy (continued)

Valuation Techniques (continued)

Instrument Type	Fair Value at 30 June 2022 US\$	Valuation Methodologies	Unobservable Inputs	Range for Unobservable Input
Equity Securities	9,883,971	Price-based	Recent price	VND50,000

A 5% change in market value of Level 3 equity securities at 31 December 2022, with all other variables held constant, would result in a US\$485,950 change in net assets (30 June 2022: US\$494,199).

For assets and liabilities carried at amortised cost, their carrying values are a reasonable approximation of fair value.

13. Realised and Unrealised Gains and Losses for the Period

	31 December 2022 US\$	31 December 2021 US\$
Realised gains on financial assets at fair value through profit or loss and foreign exchange	16,194,383	16,863,418
Realised losses on financial assets at fair value through profit or loss and foreign exchange	(63,035,125)	(3,128,039)
Unrealised gains on financial assets at fair value through profit or loss and foreign exchange	112,599,100	103,170,964
Unrealised losses on financial assets at fair value through profit or loss and foreign exchange	(123,242,843)	(93,542,156)
Total	(57,484,485)	23,364,187

14. Exchange Rates

The following period/year end rates were used in the preparation of the financial statements:

	As at 31 December 2022	As at 30 June 2022
US\$ / EUR	0.9375	0.9543
US\$ / VND	23,665.000	23,270.0000

15. Soft Commission Arrangements

There were no soft commission arrangements in existence during the financial period ended 31 December 2022 or 31 December 2021.

16. Contingent Liabilities

There were no contingent liabilities as at 31 December 2022 or 30 June 2022.

Notes to the Financial Statements (continued) For the six months ended 31 December 2022

17. Significant Events During the Financial Period

In February 2022, a number of countries (including the US, UK and EU) imposed sanctions against certain entities and individuals in Russia as a result of the invasion of Ukraine by the Russian Federation. Announcements of additional sanctions have been made following war initiated by Russia against the Ukraine on 24 February 2022. Due to the growing geopolitical tensions, since February 2022, there has been a significant increase in volatility on the securities and currency markets, as well as a significant depreciation of the ruble against the US dollar and the euro. It is expected that these events may affect the activities of Russian enterprises in various sectors of the economy. The Board of Directors have noted the ongoing developments in Ukraine and the sanctions being imposed on Russia by many countries as a result. Given the absence of exposure in the region, the Board of Directors' view is that those developments and sanctions are unlikely to have a significant direct adverse impact on the Company. Nonetheless, the situation continues to evolve, and it remains difficult at this stage to estimate all direct and indirect impacts which may arise from these emerging developments. The Board of Directors continues to monitor the developments closely and to take all the necessary actions.

Effective 18 October 2022, Bronwyn Wright was appointed as Chair of the Board of the Company, replacing Maire O'Connor.

On 28 October 2022, the Manager and Secretary became members of the Waystone Group and, on 12 December 2022, changed their address to 35 Shelbourne Road, Ballsbridge, Dublin, D04 A4EO, Ireland. As part of the change, the registered office of the Company also changed to the same address.

There were no other significant events during the financial period which require disclosure in the financial statements.

18. Significant Events After the Financial Period End

There were no significant events since the financial period end which require disclosure in the financial statements.

19. Approval of the Financial Statements

The financial statements were approved by the Directors on 23 February 2023.

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Schedule of Investments As at 31 December 2022

Vietnam Equity (UCITS) Fund

Number of Shares	Investment Name	2022 Fair Value US\$	2022 % of Net Assets
Transferable securities			
Equities			
1,399,000	Airports Corp Of Vietnam Jsc	5,001,285	1.90%
2,435,400	An Gia Real Estate Investment	3,128,509	1.19%
2,555,900	Asia Commercial Bank	2,365,274	0.90%
1,000,000	Bank For Foreign Trade Jsc	3,380,520	1.29%
10,078,200	Dat Xanh Group	5,429,835	2.07%
1,890,490	Dat Xanh Real Estate Service	536,830	0.20%
4,120,500	Duc Giang Chemicals Jsc	10,255,544	3.91%
5,965,300	Fpt Corp	19,384,389	7.38%
2,150,000	Fpt Digital Retail Jsc	6,268,751	2.39%
655,000	Fpt Securities Jsc	523,114	0.20%
9,349,715	Ha Do Jsc	12,405,707	4.72%
1,000,000	Hai An Transport & Stevedoring JSC	1,362,772	0.52%
4,600,000	Hung Thinh Land Joint Stock Co Otc	9,718,994	3.70%
1,740,000	Investment & Industrial Development JSC	5,926,220	2.26%
6,050,000	Khang Dien House Trading And Investment JSC	6,774,773	2.58%
20,774,139	Military Commercial Joint	15,011,104	5.72%
5,012,600	Mobile World Investment Corporation	9,086,860	3.46%
7,550,000	Nam Long Investment Corporation	9,890,133	3.77%
6,487,400	Petrovietnam Ca Mau Fertilizer JSC	7,264,572	2.77%
14,031,200	Petrovietnam Drilling And Well Service Corp.	10,583,432	4.03%
6,944,200	Petrovietnam Fert & Chemical	12,603,143	4.80%
2,735,000	PetroVietnam Power Nhon Trach 2 JSC	3,334,238	1.27%
6,000,000	Petrovietnam Power Corporation	2,700,190	1.03%
6,700,000	PetroVietnam Technical Services Corporation	6,058,737	2.31%
2,000,400	Petrovietnam Transportation	1,859,658	0.71%
5,909,826	Phu Nhuan Jewelry Jsc	22,450,596	8.55%
555,620	Refrigeration Electrical Engineering Corporation	1,678,717	0.64%
14,500,000	Saigon Thuong Tin Commercial Joint Stock Bank	13,786,182	5.25%
5,747,910	Viet Capital Securities Jsc	5,647,112	2.15%
3,000,000	Vietnam Export-Import Commercial JSB	3,543,207	1.35%
9,565,600	Vietnam Joint Stock Commercial Bank for Industry	11,014,688	4.19%
21,593,000	Vietnam Prosperity Jsc Bank	16,332,757	6.22%
320,000	Vietnam Technological & Commercial JSC	349,546	0.13%
4,916,300	Vincom Retail Jsc	5,463,710	2.08%
1,375,000	Vinh Hoan Corporation	4,055,569	1.54%
Total equities		255,176,668	97.17%
Total value of financial assets at fair value (30 June 2022: US\$290,301,554)		255,176,668	97.17%
Cash (30 June 2022: US\$3,608,139)		6,253,703	2.38%
Other net assets (30 June 2022: US\$4,338,876)		1,165,471	0.45%
Total Net Assets Attributable to Holders of Redeemable Participating Shares (30 June 2022: US\$298,248,569)		262,595,842	100.00%

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Schedule of Investments (continued) As at 31 December 2022

Vietnam Equity (UCITS) Fund (continued)

Analysis of Total Assets	US\$	% of Total Assets
Transferable securities admitted to an official stock exchange listing	239,919,559	89.65%
Transferable securities traded on another regulated market	15,257,109	5.70%
Deposits	6,253,703	2.34%
Other assets and receivables	6,179,230	2.31%
Total Assets	267,609,601	100.00%

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Significant Purchases and Sales For the six months ended 31 December 2022

Vietnam Equity (UCITS) Fund

The following schedule of Purchases and Sales reflects the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals greater than 1% of the total sales in the financial period. At minimum, the largest 20 purchases and sales are required to be disclosed, if applicable.

Significant Purchases	US\$	Significant Sales	US\$
Phu Nhuan Jewelry Jsc	13,924,518	Mobile World Investment Corporation	12,392,428
Saigon Thuong Tin Commercial	13,240,810	No Va Land Investment Gr & Mobile	
Petrovietnam Drilling And Well Services Corporation	11,426,517	World Investment Corporation	10,028,958
Duc Giang Chemicals Jsc	10,631,728	Hoa Phat Group Jsc	9,759,468
Vietnam Joint Stock Commercial Bank for Industry and Trade (Vietinbank)	10,204,772	Duc Giang Chemicals Jsc	8,372,619
No Va Land Investment Group	9,175,759	Military Commercial Joint Stock Bank	8,262,700
Fpt Digital Retail Jsc	6,977,582	Saigon Thuong Tin Commercial JSB	7,982,118
Bank For Foreign Trade Jsc	6,831,978	Kinh Bac City Development Holding Corp	6,613,038
Nam Long Investment Corporation	6,790,218	Vndirect Securities Corporation	6,590,715
PetroVietnam Technical Services Corporation (PTSC)	6,166,045	Vinhomes Jsc	6,383,815
Fpt Corporation	6,053,244	Nam Long Investment Corporation	5,954,103
Khang Dien House Trading and Investment JSC	5,686,927	Dat Xanh Group	5,827,922
Petrovietnam Ca Mau Fertilizer JSC	5,610,932	Bank For Investment And Development of Vietnam	5,205,513
PetroVietnam Fertilizer & Chemicals Corp and PetroVietNam Ca Mau Fertilizer JSC	5,412,632	Binh Son Refining And Petrochemical	5,084,746
Ha Do Jsc	4,962,987	Vietnam Js Commercial Bank for Industry and Trade	4,782,710
Vinh Hoan Corporation	4,849,294	Masan Group Corp.	4,512,319
Bank for Investment and Development of Vietnam (BIDV)	4,677,127	Fpt Corp.	3,972,149
Military Commercial Joint Stock Bank	4,617,996	An Gia Real Estate Investment	3,786,233
Dat Xanh Group JSC	3,990,295	Investment & Industrial Development JSC	3,682,145
Vietnam Prosperity Jsc Bank	3,984,479	Asia Commercial Bank	3,508,348
Vietnam Export Import Commercial Joint Stock Bank	3,540,569	Petrovietnam Gas JSC	3,454,608
Mobile World Investment Corporation	3,468,114	Khang Dien House Trading and Investment JSC	3,183,627
PetroVietnam Power Nhon Trach 2 JSC	2,992,748	Vietnam Prosperity Jsc Bank	2,986,031
Cd-Ctg20221117-70	2,820,874	Cd-Ctg20221117-70	2,969,247
Dabaco Corporation	2,748,437	Bank For Foreign Trade Jsc	2,828,126
Vinhomes Jsc	2,647,917	Hai An Transport & Stevedoring JSC	2,605,525
Vincom Retail Jsc	2,592,287	Fpt Securities Jsc	2,537,984
Petrovietnam Power Corporation	2,547,250	Cd-Bidv20221116	2,514,142
Cd-Bidv20221116	2,420,819	Airports Corp Of Vietnam Jsc	2,493,573
Fpt Securities Jsc	2,244,141	Vincom Retail Jsc	2,381,589
Airports Corp Of Vietnam Jsc	2,095,647	Dabaco Group	1,798,538
		Phu Nhuan Jewelry Jsc	1,699,995