

## **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 2023**

## 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

**Registered Office:**

35 Shelbourne Road  
Ballsbridge  
Dublin 4  
D04 A4EO  
Ireland

**Legal Advisers as to Irish Law**

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

**Investment Manager:**

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

**Depositary:**

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

**Company Secretary (up to 29 September 2023):**

Clifton Fund Consulting Limited  
35 Shelbourne Road  
4th Floor  
Ballsbridge  
Dublin, D04 A4E, Ireland

**Company Secretary (from 29 September 2023):**

Clifton Fund Consulting Limited, trading as  
Waystone  
35 Shelbourne Road  
4th Floor  
Ballsbridge  
Dublin, D04 A4E, Ireland

**Manager (up to 29 September 2023):**

KBA Consulting Management Limited  
35 Shelbourne Road, 4th Floor  
Ballsbridge  
Dublin 4, D04 A4EO  
Ireland

**Manager (from 29 September 2023):**

Waystone Management Company (IE) Limited<sup>1</sup>  
35 Shelbourne Road, 4th Floor  
Ballsbridge  
Dublin 4, D04 A4EO  
Ireland

<sup>1</sup> On 29 September 2023, KBA Consulting Management Limited, the Management Company of the Company, completed its merger with Waystone Management Company (IE) Limited (“WMC”). WMC is the surviving entity post-merger and as such, the Company’s Management Company is WMC from this date.

## DC Developing Markets Strategies plc

### General Information (continued)

**Representative and Paying Agent in Switzerland:**

**Representative in Switzerland**<sup>2</sup>

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

<sup>2</sup> Shareholders may obtain the prospectus, the key information document, the latest annual and semi-annual reports, 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](http://www.fundinfo.com) and [www.dragoncapital.com/vef/](http://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 2023

#### Investment Manager's Report

31 December 2023

#### A. MACRO ECONOMY

In 2023, Vietnam's economy grew by 5.1%, one of the highest growth rates globally. The year overcame a challenging Q1 and culminated in a robust 6.7% GDP growth rate in Q4, outpacing the earlier quarters of 3.4%, 4.3%, and 5.5% respectively.

The size of the economy has reached \$430bn and Vietnam's GDP per capita increased to \$4,284, approaching the upper middle-income threshold. Despite the negative impact of the local corporate bond and property markets, final consumption improved modestly, growing by 3.5% YoY, contributing 2.1% to the overall GDP growth. Fixed asset formation added another 1.3% to the growth, increasing by 4.1%. Furthermore, a record trade surplus of almost \$28bn helped contribute to maintaining the Vietnamese Dong's resilience.

Q4 witnessed a significant surge in credit growth, rising from 5.9% at the end of Q3 to 13.7% by year-end. The promotion of public investment resulted in a Q4 increase of 21.2% YoY. Trade also recovered on higher export activities driven by the resurgence of global demand. Vietnam's economic progress is accompanied by the sound management of key macroeconomic factors; CPI remained stable at an average of 3.3% YoY, while the exchange rate declined 3.0%, modest for a year of high global volatility. There were four interest rate cuts in 2023, totalling 150 basis points, along with the implementation of other measures to stimulate the economy, including Decrees on debt restructuring and pushing credit disbursement to stimulate the economy. As a result, interest rates for bank loans have decreased significantly from a range of 14-16% to 8-9% in December 2023.

Vietnam witnessed strong manufacturing FDI flows and tourism in 2023. Total registered FDI reached \$36.6bn, +32.1% YoY, and dispersed capital was \$23.2bn, +3.5% YoY. These figures are a testament to Vietnam's growing appeal following its recent 'Comprehensive Strategic Partnership' agreements with the United States, South Korea, and Japan. The total number of visitors reached 12.4m in 2023 vs 3.7m in 2022, increasing on a monthly basis.

2023 was marred with unexpected developments including large US banks defaulting, escalated Middle Eastern tensions, higher-than-expected Fed rate hikes, and a dampened worldwide demand. We believe the Fed's mid-cycle rate adjustment and a recovery in global demand will be key for Vietnam to continue its economic stimulus across both fiscal and monetary policies. The US and EU import markets will need to pivot from destocking to restocking for Vietnam's exports to recover, setting the stage for domestic growth in 2024.

#### B. STOCK MARKET

2023 marked the initiation of a recovery market cycle as Vietnam emerged from the turbulence of bond market reform. Our monthly indicators monitoring real economic activities, including consumption metrics (air travel, grocery, and discretionary spending), manufacturing parameters (container throughput, power usage), and real estate activities, collectively signalled a positive shift, with clearer recovery toward year-end. Equity markets, which often price forward the real economy by 4-6 months, benefitted from a favourable setting, with easing macro policies and stability in inflation and FX rates. Government support in the real estate and banking sectors propelled the market to a peak return of 23% by mid-September. Despite a solid foundation and positive catalysts, the year was marked by a lack of meaningful earnings growth. Global volatility, stemming from surging US Treasury yields in September, prompted the VN Index to retreat from its year-high, resulting in a more modest full-year return of 11.1% (TRS). Nonetheless, in comparison to regional markets like Thailand's SET (-11.45%), the Philippines PCOMP (+1.5%), and China's SHCOMP (-3.9%), Vietnam demonstrated relatively robust performance. Cyclical, mid-caps, and cheap P/B emerged as the best-performing factors in 2023 as the VN Index now moves into a recovery phase.

## DC Developing Markets Strategies plc

### Investment Manager's Report (continued) 31 December 2023

#### C. FUND PERFORMANCE

##### Cumulative returns:

Total return in USD	3 Month	1 Year	2 Years	3 Years	5 Years	Since 30 Sep 2013
A Shares	0.05	13.83	-28.84	9.65	27.16	183.39
VN Index (TR USD)	-1.40	11.14	-26.73	1.84	31.37	155.64

Total return in EUR	3 Month	1 Year	2 Years	3 Years	5 Years	Since 05 Jul 2018
B Shares	-4.72	9.87	-26.68	23.38	33.49	46.75
VN Index (TR EUR)	-5.73	7.59	-24.60	12.53	35.84	38.18

##### Calendar year returns:

Total return in USD	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013 <sup>(1)</sup>
A Shares	13.83	-37.49	54.10	16.08	-0.09	-3.43	41.35	19.36	13.25	18.31	2.09
VN Index (TR USD)	11.14	-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	2023	2022	2021	2020	2019	2018 <sup>(2)</sup>
B Shares	9.87	-33.26	68.27	5.86	2.2	9.94
VN Index (TR EUR)	7.59	-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 do not take account of the commissions and costs incurred on the issue and redemptions of shares.*

The Fund's NAV per share increased 13.83% in USD terms, outperforming its reference index, the VN Index, which rose 11.14% in USD terms in 2023. Positive attributions continue to be IT services, energy, and brokerages. On the downside, consumer discretionary, property and materials held back the Fund.

The IT services company, FPT, delivered excellent results in 2023 with the stock rising 43% and earnings growing 20% YoY. The company continues to expand their business globally and based on signed contracts will likely boost its earnings by approximately 20% this year.

Energy stocks PVS and PVD had a good year in 2023 as both companies performed exceptionally well. PVS soared 76% and PVD 54% based on robust fundamentals thanks to high industry demand in both oil & gas services and power generation raised rates and created abundant workloads. The outlook is bright with both companies expecting to have strong cashflows. For PVD, new long-term contracts such as the three-year Pertamina contract in Indonesia from 2025 to 2027 and elevated jack-up rates further support the earnings growth case for 2024, forecast to reach over +100% YoY after a strong 2023. Likewise, PVS also racked up new contracts in both the energy and power sectors. PVS was awarded two new contracts related to the Block B project in south Vietnam valued at \$1.4bn, and another \$100m for the Feng Miao offshore wind substation. We expect the project backlog will start contributing strongly from 2025 to PVS' bottom line.

Brokerage stocks in the financial services sector helped the Fund's performance thanks to the VN Index's strong rebound from its trough due to the improved liquidity going into the equity market. The Fund's investments in brokerage stocks doubled in price on average, and it was the best-performing sector in the portfolio in 2023.

Regardless of weakening domestic consumption, FPT Retail has been delivering strong returns of 75% as the company continues to cement their position of being the number one pharmaceutical retailer. They have concurrently been consolidating the underpenetrated \$8bn industry dominated by independently owned stores. As of 3Q23, 447 new Long Chau pharmacies were opened, revenue is up 38% YTD, while net margin remains resilient at 1.2% despite the massive expansion. In their ICT segment, FPT Shop's gross margin gained 3.2% in Q3 as the H1 price war eased. Net losses have also reduced from \$10m in Q2 to \$3m in Q3. As margins normalise going forward, we expect ICT segment profits will continue to recover into 2024.

## DC Developing Markets Strategies plc

<b>Investment Manager's Report (continued)</b> <b>31 December 2023</b>
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### C. FUND PERFORMANCE (continued)

On the downside, one of the Fund's top holdings, PNJ performed poorly in terms of stock price, down 4% in 2023, despite solid business results. Negative consumer sentiment plagued the retail sector in general and it did not seem logical for a jewellery company to do well given weakened economic growth. Nevertheless, the company prevailed with earnings expected to be 7% YoY for 2023 while expanding their business with 35 new stores opening, bringing the total number of stores up to 399 and fortifying their leading position with 25% overall market share. We expect leading retail names like PNJ will rebound strongly as consumer confidence returns.

Materials stocks were another negative contributor to the Fund's return in 2023. DPM had dwindling average selling prices as the energy crisis in Europe subsided due to falling LNG prices. This impacted earnings and the stock fell out of favour. DGC was subject to momentarily weak global demand for semiconductors and electronic devices/appliances (top 25 global semiconductor vendors' revenue, which makes up 74% of the market, declined 14% in 2023). Prices have recovered slightly as weak demand bottoms out.

Le Yen Quynh

Portfolio Manager

Vietnam Equity (UCITS) Fund

January 2024

## DC Developing Markets Strategies plc

### Statement of Financial Position

#### Vietnam Equity (UCITS) Fund

	Notes	As at 31 December 2023 US\$	As at 30 June 2023 US\$	
<b>Assets</b>				
<i>Financial assets at fair value through profit or loss:</i>				
- Transferable securities	11,12	248,309,832	271,270,970	
Cash and cash equivalents		7,339,741	4,652,685	
Subscriptions receivable		814,529	18,956	
Receivable for investments sold		4,691,034	2,055,515	
Other assets and receivables	6	102,352	730,449	
<b>Total assets</b>		<b>261,257,488</b>	<b>278,728,575</b>	
<b>Liabilities</b>				
Redemptions payable		(439,679)	(1,289,014)	
Payable for investments purchased		(5,312,782)	(1,796,766)	
Other liabilities and accrued expenses	7	(518,545)	(605,567)	
<b>Total liabilities (excluding net assets attributable to holders of redeemable participating shares)</b>		<b>(6,271,006)</b>	<b>(3,691,347)</b>	
<b><u>Net assets attributable to holders of redeemable participating shares</u></b>		<b>254,986,482</b>	<b>275,037,228</b>	
		<b>31 December 2023</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
Redeemable participating shares outstanding at the end of the financial period				
Class A	5	6,241,156	7,429,030	7,626,465
Class B	5	48,946	47,243	52,128
Net Asset Value per redeemable participating share				
Class A		US\$28.34	US\$27.28	US\$24.90
Class B		€1,437.12	€1,405.91	€1,308.05

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

## DC Developing Markets Strategies plc

### Statement of Comprehensive Income

		Vietnam Equity (UCITS) Fund	
		For the six months ended 31 December 2023 US\$	For the six months ended 31 December 2022 US\$
	Notes		
<b>Income</b>			
Net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss and foreign exchange	13	11,920,634	(57,484,485)
Dividend income		2,472,746	2,403,038
Other income		17,556	31,103
<b>Total net income/(loss)</b>		<b>14,410,936</b>	<b>(55,050,344)</b>
<b>Expenses</b>			
	4,8	(3,622,602)	(3,771,089)
<b>Increase/(decrease) in net assets attributable to holders of redeemable participating shares before tax</b>		<b>10,788,334</b>	<b>(58,821,433)</b>
Withholding tax		-	-
<b>Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations</b>		<b>10,788,334</b>	<b>(58,821,433)</b>

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

## DC Developing Markets Strategies plc

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

	<b>Vietnam Equity (UCITS) Fund</b>	
	<b>For the six months ended 31 December 2023</b>	<b>For the six months ended 31 December 2022</b>
	<b>US\$</b>	<b>US\$</b>
Net assets attributable to holders of redeemable participating shares at start of the financial period	<b>275,037,228</b>	<b>298,248,569</b>
Shares issued	19,353,279	55,115,248
Shares redeemed	(50,192,359)	(31,946,542)
<b>Net (decrease)/increase in net assets from share transactions</b>	<b>(30,839,080)</b>	<b>23,168,706</b>
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	10,788,334	(58,821,433)
<b>Net assets attributable to holders of redeemable participating shares at the end of the financial period</b>	<b>254,986,482</b>	<b>262,595,842</b>

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

## DC Developing Markets Strategies plc

### Statement of Cash Flows

	<b>Vietnam Equity (UCITS) Fund</b>	
	<b>For the six months ended 31 December 2023</b>	<b>For the six months ended 31 December 2022</b>
	<b>US\$</b>	<b>US\$</b>
<b>Cash flows from operating activities</b>		
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	10,788,334	(58,821,433)
Net decrease in financial assets at fair value through profit or loss	23,841,635	41,450,737
Net decrease/(increase) in other assets and receivables	628,097	(467,871)
Net decrease in other liabilities and accrued expenses	(87,022)	(74,503)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>35,171,044</b>	<b>(17,913,070)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of redeemable shares	18,557,706	52,498,238
Payments for redeemable shares redeemed	(51,041,694)	(31,939,604)
<b>Net cash (outflow)/inflow from financing activities</b>	<b>(32,483,988)</b>	<b>20,558,634</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,687,056</b>	<b>2,638,514</b>
<b>Reconciliation of cash movement during the financial period</b>		
Net cash and cash equivalents at the beginning of the financial period	4,652,685	3,608,139
<b>Net cash and cash equivalents at the end of the financial period</b>	<b>7,339,741</b>	<b>6,253,703</b>
<b>Supplemental information</b>		
Dividends received	3,106,054	1,936,486
Transfers in	7,188,524	3,005,987
Transfers out	(7,188,524)	(3,005,987)

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

# DC Developing Markets Strategies plc

## Notes to the Financial Statements For the six months ended 31 December 2022

### 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 2023.

**Notes to the Financial Statements (continued)**  
**For the six months ended 31 December 2023**

**2. Significant Accounting Policies (continued)**

**New accounting standards effective for the financial period beginning 1 July 2023**

There are no new standards and interpretations that are effective for the financial period beginning 1 July 2023 that have a significant impact on the Company.

**New standards and interpretations issued but not effective for the financial period beginning 1 July 2023 and not early adopted**

There are no new standards and interpretations issued but not effective for the financial period beginning 1 July 2023 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/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 2023**

**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, subscriptions receivable, 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.

## DC Developing Markets Strategies plc

<b>Notes to the Financial Statements (continued)</b> <b>For the six months ended 31 December 2023</b>
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### 2. Significant Accounting Policies (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 is 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 shares 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 4.

#### 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.

## DC Developing Markets Strategies plc

### Notes to the Financial Statements (continued) For the six months ended 31 December 2023

#### 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 2023 and 31 December 2022:

	Vietnam Equity (UCITS) Fund	
	2023	2022
	US\$	US\$
<b>Expenses</b>		
Investment Management fees (net) <sup>(i)</sup>	2,505,628	2,525,438
Management fees	34,277	39,149
Transaction costs	517,366	586,738
Administration fees	125,320	127,736
Depository fees	147,845	161,106
Directors fees	31,514	20,273
Audit fees	15,331	14,283
Other expenses	245,321	296,366
<b>Total expenses</b>	<b>3,662,602</b>	<b>3,771,089</b>

(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\$2,481 (31 December 2022: US\$10,126) during the period. For further detail, please see Note 8(a).

## DC Developing Markets Strategies plc

### Notes to the Financial Statements (continued) For the six months ended 31 December 2023

#### 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 2023 (30 June 2023: 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, investors in the Class B shares also have to comply with the Minimum Holding amount of €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.

The following table shows the movement in the number of redeemable shares for the financial period ended 31 December 2023:

#### Vietnam Equity (UCITS) Fund

Class A (USD)	Total		US\$
Opening balance	7,429,030		
Shares issued	466,022	Subscriptions	13,031,456
Shares transferred in	75,819	Transfers In	2,134,898
Shares transferred out	(75,819)	Transfers Out	(2,134,898)
Shares redeemed	(1,653,896)	Redemptions	(46,681,218)
Closing balance	<u>6,241,156</u>		

## DC Developing Markets Strategies plc

### Notes to the Financial Statements (continued) For the six months ended 31 December 2023

#### 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 2023:

##### Vietnam Equity (UCITS) Fund

Class B (EUR)*	Total		US\$
Opening balance	47,243		
Shares issued	3,863	Subscriptions	6,321,823
Shares transferred in	3,072	Transfers In	5,053,626
Shares transferred out	(3,072)	Transfers Out	(5,053,626)
Shares redeemed	(2,160)	Redemptions	(3,511,141)
Closing balance	<u>48,946</u>		

The following table shows the movement in the number of redeemable shares for the financial year ended 30 June 2023:

##### Vietnam Equity (UCITS) Fund

Class A (USD)	Total		US\$
Opening balance	7,078,413		
Shares issued	2,209,522	Subscriptions	57,794,638
Shares transferred in	2,343,292	Transfers In	59,222,895
Shares transferred out	(2,343,292)	Transfers Out	(59,222,895)
Shares redeemed	(1,858,905)	Redemptions	(50,382,298)
Closing balance	<u>7,429,030</u>		

##### Vietnam Equity (UCITS) Fund

Class B (EUR)*	Total		US\$
Opening balance	43,728		
Shares issued	20,687	Subscriptions	28,872,637
Shares transferred in	2,708	Transfers In	3,964,398
Shares transferred out	(2,708)	Transfers Out	(3,964,398)
Shares redeemed	(17,172)	Redemptions	(24,906,987)
Closing balance	<u>47,243</u>		

\*This share class is not hedged.

#### Significant shareholders

##### 31 December 2023

	Number of Significant Shareholders	Total Holding as at 31 December 2023	Aggregate Shareholding as a % of the sub-fund as at 31 December 2023
Vietnam Equity (UCITS) Fund	3	135,419,246	53.11%

##### 30 June 2023

	Number of Significant Shareholders	Total Holding as at 30 June 2023	Aggregate Shareholding as a % of the sub-fund as at 30 June 2023
Vietnam Equity (UCITS) Fund	1	1,876,674	18.61%

Significant shareholders hold >10% of the Company.

## DC Developing Markets Strategies plc

### Notes to the Financial Statements (continued) For the six months ended 31 December 2023

#### 6. Other Assets and Receivables

	Vietnam Equity (UCITS) Fund	
	31 December 2023	30 June 2023
	US\$	US\$
Prepayments	3,927	9,882
Dividends receivable	87,177	720,485
Other receivables	11,248	82
	<b>102,352</b>	<b>730,449</b>

#### 7. Other Liabilities and Accrued Expenses

	Vietnam Equity (UCITS) Fund	
	31 December 2023	30 June 2023
	US\$	US\$
Investment Management fees payable (net)	366,845	420,985
Management fees payable	2,094	6,228
Transaction costs payable	39,358	30,865
Administration fees payable	18,596	20,372
Depositary fees payable	6,949	24,013
Directors fees payable	2,078	-
Audit fees payable	11,067	30,972
Other expenses payable	71,558	72,132
	<b>518,545</b>	<b>605,567</b>

#### 8. Significant Agreements and Related Party 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\$2,505,628 (31 December 2022: US\$2,525,438), of which US\$366,845 (30 June 2023: US\$420,985) 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\$2,481 (31 December 2022: US\$10,126) during the period with US\$Nil (30 June 2023: US\$Nil) receivable to be offset against management fees payable as at 31 December 2023. The Investment Manager's management fee within expenses in the Statement of Comprehensive Income is net of reimbursement.

## DC Developing Markets Strategies plc

### Notes to the Financial Statements (continued) For the six months ended 31 December 2023

#### 8. Significant Agreements and Related Party 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 Net Asset Value of the Company</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\$34,277 (31 December 2022: US\$39,149), of which US\$2,094 (30 June 2023: US\$6,228) 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 US\$250 million	8.0
Next US\$250 million	7.0
AUM over US\$500 million	6.0
Monthly Minimum Fee	US\$8,333.33

Administrator fees incurred by the Company during the period amounted to US\$125,320 (31 December 2022: US\$127,736), of which US\$18,596 (30 June 2023: US\$20,372) 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 US\$250 million	3.5
Next US\$250 million	3.0
AUM over US\$500 million	2.5
Monthly Minimum Fee	US\$2,083.33

Depositary fees incurred by the Company during the period amounted to US\$147,845 (31 December 2022: US\$161,106), and US\$6,949 (30 June 2023: US\$24,013) was payable at period end.

**Notes to the Financial Statements (continued)**  
**For the six months ended 31 December 2023**

**8. Significant Agreements and Related Party 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 2023 amounted to US\$31,514 (31 December 2022: US\$20,273) of which US\$2,078 remained payable as at 31 December 2023 (30 June 2023: US\$Nil). 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 2023 and 31 December 2022.

**(f) Other related party transactions**

Dragon Capital Markets Limited, an affiliate Company of the Investment Manager, owns a 30.07% (30 June 2023: 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 25.77% (31 December 2022: 23.52%) of the sub-fund's six-month trading transaction volume. Transaction fees in relation to trading with HSC amounted to US\$111,810 (31 December 2022: US\$241,278) for the period ended 31 December 2023 with US\$3,269 (30 June 2023: US\$Nil) remaining payable as at 31 December 2023.

Dragon Capital Markets Limited held 194,750 of Class A Shares issued by the Vietnam Equity (UCITS) Fund as at 31 December 2023 (30 June 2023: 194,750).

At 31 December 2023, the two 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).

**Notes to the Financial Statements (continued)**  
**For the six months ended 31 December 2023**

**9. Total Expense Ratio**

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

		<b>Vietnam Equity (UCITS) Fund</b>	
		<b>12 months ended 31 December 2023</b>	<b>12 months ended 31 December 2022</b>
TER	<b>Class A (USD)</b>	2.32%	2.38%
	<b>Class B (EUR)</b>	1.83%	1.89%

**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.

## DC Developing Markets Strategies plc

### Notes to the Financial Statements (continued) For the six months ended 31 December 2023

#### 11. Financial Instruments and Associated Risks (continued)

##### Market Price Risk (continued)

##### Vietnam Equity (UCITS) Fund

An analysis of investments by geographical and industry sector as at 31 December 2023 and 30 June 2023 is shown below:

	<b>31 December 2023</b>	<b>31 December 2023</b>	<b>30 June 2023</b>	<b>30 June 2023</b>
<i>Geographical Exposure</i>	<b>US\$</b>	<b>% of NAV</b>	<b>US\$</b>	<b>% of NAV</b>
Vietnam	248,309,832	97.38%	271,270,970	98.64%
<i>Industry Exposure</i>				
Air freight & logistics	3,622,788	1.42%	4,147,355	1.52%
Aquaculture	-	-	3,228,682	1.17%
Banks	77,287,839	30.31%	83,738,888	30.45%
Capital markets	16,318,969	6.40%	14,101,780	5.13%
Chemicals	8,620,536	3.38%	10,207,179	3.71%
Construction & engineering	21,381,278	8.38%	24,656,876	8.96%
Construction & machinery	-	-	3,192,596	1.16%
Energy & electricity	-	-	2,844,467	1.03%
Food & beverages	8,097,319	3.18%	-	-
Gas utilities	9,480,412	3.72%	10,082,999	3.67%
IT services	23,777,322	9.32%	24,097,306	8.76%
Metals & mining	9,105,361	3.57%	9,436,626	3.43%
Real estate management & development	29,050,157	11.39%	42,610,344	15.50%
Specialty retail	20,208,759	7.93%	19,605,596	7.13%
Textiles, apparel & luxury goods	18,451,876	7.24%	19,320,276	7.02%
Transportation infrastructure	2,907,216	1.14%	-	-

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 2023

	<b>Vietnam Equity (UCITS) Fund US\$</b>	<b>10% sensitivity US\$</b>
Equities	248,309,832	24,830,983
<b>Total</b>	<b>248,309,832</b>	<b>24,830,983</b>

##### 30 June 2023

	<b>Vietnam Equity (UCITS) Fund US\$</b>	<b>10% sensitivity US\$</b>
Equities	271,270,970	27,127,097
<b>Total</b>	<b>271,270,970</b>	<b>27,127,097</b>

**Notes to the Financial Statements (continued)**  
**For the six months ended 31 December 2023**

**11. Financial Instruments and Associated Risks (continued)**

**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 2023 would have decreased the net assets attributable to holders of redeemable shares by US\$23,091,182 (30 June 2023: US\$25,034,840). 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 2023, the Vietnam Equity (UCITS) Fund had the following currency exposure:

<b>Currency</b>	<b>Monetary Assets and Liabilities (US\$)</b>	<b>Non-Monetary Assets and Liabilities (US\$)</b>	<b>Total Exposure (US\$)</b>	<b>(%) of Net Assets</b>	<b>10% Sensitivity (US\$)</b>
EUR	62,274	-	62,274	0.02%	(5,661)
VND	5,630,907	248,309,832	253,940,739	99.59%	(23,085,521)

At 30 June 2023, the Vietnam Equity (UCITS) Fund had the following currency exposure:

<b>Currency</b>	<b>Monetary Assets and Liabilities (US\$)</b>	<b>Non-Monetary Assets and Liabilities (US\$)</b>	<b>Total Exposure (US\$)</b>	<b>(%) of Net Assets</b>	<b>10% Sensitivity (US\$)</b>
EUR	225,870	-	225,870	0.08%	(20,536)
VND	3,886,378	271,270,970	275,157,348	100.04%	(25,014,304)

**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 2023 (30 June 2023: Nil).

As at 31 December 2023, 2.88% (30 June 2023: 1.69%) 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.

**Notes to the Financial Statements (continued)**  
**For the six months ended 31 December 2023**

**11. Financial Instruments and Associated Risks (continued)**

**Credit Risk (continued)**

The sub-fund's main credit risk concentration is with the Depository/Sub-Custodian where the sub-fund's cash deposits and assets are held. Bankruptcy or insolvency of the Depository/Sub-Custodian may cause the sub-fund's rights with respect to the cash and securities held by the Depository/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 2023 was A+ (30 June 2023: A) published by Standard & Poor's. If the Depository/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.

**Custody and Title Risk**

The Depository 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 Depository 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 Depository employs a Sub-Custodian, the Depository 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 Depository will have no liability.

**Notes to the Financial Statements (continued)**  
**For the six months ended 31 December 2023**

**11. Financial Instruments and Associated Risks (continued)**

**Cyber Security Risk**

Cybersecurity breaches may occur allowing an unauthorized party to gain access to assets of the Company, Shareholder data, or proprietary information, or may cause the Platform, the Investment Manager, the Administrator or the Depository to suffer data corruption or lose operational functionality. The Company may be affected by intentional cybersecurity breaches which include unauthorized access to systems, networks, or devices (such as through “hacking” activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cybersecurity breach could result in the loss or theft of Shareholder data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause the Company, the Investment Manager, the Administrator, the Depository, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss. Consequently, Shareholders may lose some or all of their invested capital. In addition, such incidents could affect issuers in which a Company invests, and thereby cause a Fund’s investments to lose value, as a result of which investors, including the relevant Company and its Shareholders, could potentially lose all or a portion of their investment with that issuer.

**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 2023 and 30 June 2023:

**31 December 2023**

**Vietnam Equity (UCITS) Fund**

<b>Financial instruments measured at fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>Fair Value</b>
				<b>US\$</b>
<b>Financial assets at fair value through profit or loss:</b>				
Equities	240,216,706	-	8,093,126	248,309,832
	<b>240,216,706</b>	<b>-</b>	<b>8,093,126</b>	<b>248,309,832</b>

As at 31 December 2023, a security with a fair value of US\$8,093,126 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 2023.

## DC Developing Markets Strategies plc

### Notes to the Financial Statements (continued) For the six months ended 31 December 2023

#### 12. Fair Value Hierarchy (continued)

30 June 2023

#### Vietnam Equity (UCITS) Fund

##### Financial instruments measured at fair value

	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	Fair Value
	US\$	US\$	US\$	US\$
<b>Financial assets at fair value through profit or loss:</b>				
Equities	261,633,712	-	9,637,258	271,270,970
	<b>261,633,712</b>	<b>-</b>	<b>9,637,258</b>	<b>271,270,970</b>

As at 30 June 2023, a security with a fair value of US\$9,637,258 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 2023.

#### 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 2023 and year ended 30 June 2023:

	31 December 2023	30 June 2023
	US\$	US\$
Balance as at start of period/year	9,637,258	9,883,971
Purchases	-	-
Sales	(369,848)	-
Net realised gain on financial assets at fair value through profit or loss and foreign exchange	245,183	-
Change in unrealised loss on financial assets at fair value through profit or loss and foreign exchange	(1,419,467)	(246,713)
Balance as at end of period/year	<b>8,093,126</b>	<b>9,637,258</b>

#### 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.

Instrument Type	Fair Value at 31 December 2023 US\$	Valuation Methodologies	Unobservable Inputs	Range for Unobservable Input VND
Equity Securities	8,093,126	Weighted average discounted cash flow	Discount rates	43,208

  

Instrument Type	Fair Value at 30 June 2023 US\$	Valuation Methodologies	Unobservable Inputs	Range for Unobservable Input VND
Equity Securities	9,637,258	Weighted average discounted cash flow	Discount rates	49,348

A 5% change in market value of Level 3 equity securities at 31 December 2023, with all other variables held constant, would result in a US\$404,656 (30 June 2023: US\$481,863) change in net assets.

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

## DC Developing Markets Strategies plc

### Notes to the Financial Statements (continued) For the six months ended 31 December 2023

#### 13. Realised and Unrealised Gains and Losses for the Period

	31 December 2023 US\$	31 December 2022 US\$
Realised gains on financial assets at fair value through profit or loss and foreign exchange	21,085,914	16,194,383
Realised losses on financial assets at fair value through profit or loss and foreign exchange	(13,664,118)	(63,035,125)
Unrealised gains on financial assets at fair value through profit or loss and foreign exchange	21,241,407	112,599,100
Unrealised losses on financial assets at fair value through profit or loss and foreign exchange	(16,742,569)	(123,242,843)
<b>Total</b>	<b>11,920,634</b>	<b>(57,484,485)</b>

#### 14. Exchange Rates

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

	As at 31 December 2023	As at 30 June 2023
US\$ / EUR	0.9005	0.9174
US\$ / VND	24,250.0000	23,554.5000

#### 15. Soft Commission Arrangements

There were no soft commission arrangements in existence during the financial periods ended 31 December 2023 and 31 December 2022.

#### 16. Contingent Liabilities

There were no contingent liabilities as at 31 December 2023 or 30 June 2023.

#### 17. Significant Events During the Financial Period

On 29 September 2023, KBA Consulting Management Limited, the Management Company of the Company, completed its merger with Waystone Management Company (IE) Limited (“WMC”). WMC is the surviving entity post-merger and as such, the Company’s Management Company is WMC from this date.

The Secretary had changed to Waystone effective 29 September 2023.

On 19 October 2023, the sub-fund was reclassified from an Article 6 to an Article 8 financial product under the Sustainable Finance Disclosure Regulations and an updated supplement for the sub-fund was filed with the Central Bank of Ireland to reflect the change.

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

A new C share class was approved by the Central Bank of Ireland on 12 January 2024.

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

<p><b>Notes to the Financial Statements (continued)</b> <b>For the six months ended 31 December 2023</b></p>
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**19. Securities Financing Transaction Regulations**

A Securities Financing Transaction (“SFT”) is defined as per Article 3(11) of the Securities Financing Transactions Regulations as:

- a repurchase transaction;
- securities or commodities lending and securities or commodities borrowing;
- a buy-sell back transaction or sell-buy back transaction; or

UCITS are required to disclose the use of SFTs and Total Return Swaps. For the period ended 31 December 2023, DC Developing Markets Strategies plc did not trade in any SFTs or Total Return Swaps.

**20. Approval of the Financial Statements**

The financial statements were approved by the Directors on 26 February 2024.

## DC Developing Markets Strategies plc

### Schedule of Investments As at 31 December 2023

#### Vietnam Equity (UCITS) Fund

Number of Shares	Investment Name	2023 Fair Value US\$	2023 % of Net Assets
<b>Transferable securities</b>			
<b>Equities</b>			
1,331,100	Airports Corporation of Vietnam	3,622,788	1.42%
2,435,400	An Gia Real Estate Investment & Development Corporation	2,661,365	1.04%
6,003,785	Asia Commercial Bank	5,917,132	2.32%
4,470,000	Joint Stock Commercial Bank for Foreign Trade of Vietnam	14,801,691	5.80%
2,120,000	Bank for Investment and Development of Vietnam	3,794,144	1.49%
2,345,000	BIDV Securities JSC	4,593,299	1.80%
2,395,250	DatXanh Real Estate Services JSC	740,799	0.29%
670,000	Duc Giang Chemicals Group JSC	2,608,165	1.02%
6,000,000	FPT Corporation	23,777,322	9.32%
2,540,000	FPT Digital Retail JSC	11,207,423	4.40%
1,000,000	Gemadept Corporation	2,907,216	1.14%
7,200,000	Ha Do JSC	8,194,639	3.21%
7,900,000	Hoa Phat Group JSC	9,105,361	3.57%
4,542,175	Hung Thinh Land Joint Stock Co OTC	8,093,126	3.17%
800,000	Investment & Industrial Development JSC	2,075,052	0.81%
7,100,000	Khang Dien House Trading and Investment JSC	9,193,402	3.61%
1,105,000	Kinh Bac City Development Holding Corporation	1,446,753	0.57%
26,092,647	Military Commercial Joint Stock Bank	20,067,128	7.87%
5,100,056	Mobile World Investment Corporation	9,001,336	3.53%
1,295,000	Nam Long Investment Corporation	1,957,186	0.77%
1,670,000	PC1 Group JSC	1,983,340	0.78%
4,500,000	Petrovietnam Ca Mau Fertilizer JSC	6,012,371	2.36%
9,600,000	Petrovietnam Drilling and Well Service Corporation	11,203,299	4.39%
6,050,000	Petrovietnam Technical Services Corporation	9,480,412	3.72%
5,203,000	Phu Nhuan Jewelry JSC	18,451,876	7.24%
2,850,000	Saigon Hanoi Securities JSC	2,221,237	0.87%
1,400,000	Saigon Beer Alcohol Beverage Corporation	3,637,113	1.43%
12,700,000	Saigon Thuong Tin Commercial	14,637,732	5.74%
3,830,000	Viet Capital Securities JSC	6,751,856	2.65%
1,600,000	Vietnam Dairy Products JSC	4,460,206	1.75%
7,000,000	Vietnam JS Commercial Bank	7,822,680	3.07%
9,133,220	Vietnam Prosperity JSC Bank	7,231,250	2.84%
2,300,000	Vietnam Technological & Commercial JS Bank	3,016,082	1.18%
3,000,000	Vincom Retail JSC	2,882,474	1.13%
3,000,000	Vndirect Securities Corporation	2,752,577	1.08%
<b>Total equities (30 June 2023: US\$271,270,970)</b>		<b>248,309,832</b>	<b>97.38%</b>
<b>Total value of financial assets at fair value (30 June 2023: US\$271,270,970)</b>		<b>248,309,832</b>	<b>97.38%</b>
<b>Cash (30 June 2023: US\$4,652,685)</b>		<b>7,339,741</b>	<b>2.88%</b>
<b>Other net liabilities (30 June 2023: US\$886,427)</b>		<b>(663,091)</b>	<b>(0.26)%</b>
<b>Total Net Assets Attributable to Holders of Redeemable Participating Shares (30 June 2023: US\$275,037,228)</b>		<b>254,986,482</b>	<b>100.00%</b>

## DC Developing Markets Strategies plc

### Schedule of Investments (continued) As at 31 December 2023

#### Vietnam Equity (UCITS) Fund (continued)

<b>Analysis of Total Assets</b>	<b>US\$</b>	<b>% of Total Assets</b>
Transferable securities admitted to an official stock exchange listing	222,139,692	85.02%
Transferable securities traded on another regulated market	26,170,140	10.02%
Deposits	7,339,741	2.81%
Other assets and receivables	5,607,915	2.15%
<b>Total Assets</b>	<b>261,257,488</b>	<b>100.00%</b>

## DC Developing Markets Strategies plc

### Significant Purchases and Sales For the six months ended 31 December 2023

#### 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\$
Vietnam Dairy Products JSC	18,918,010	Vietnam Prosperity JSC Bank	15,514,519
Joint Stock Commercial Bank for Foreign Trade of Vietnam	11,957,021	Vietnam Dairy Products JSC	14,106,790
Vietnam Prosperity JSC Bank	9,973,359	Joint Stock Commercial Bank for Foreign Trade of Vietnam	12,417,356
Vinhomes JSC	8,571,517	Vinhomes JSC	10,382,260
Saigon Thuong Tin Commercial	5,771,479	Masan Group Corporation	8,780,143
BIDV Securities JSC	5,201,388	Nam Long Investment Corporation	8,650,134
Masan Group Corporation	4,807,108	Mobile World Investment Corporation	7,499,505
Saigon Beer Alcohol Beverage Corporation	4,670,110	Vietnam JS Commercial Bank	7,336,507
FPT Digital Retail JSC	4,646,566	FPT Corporation	6,570,937
Mobile World Investment Corporation	4,537,792	Ha Do JSC	6,439,519
Gemadept Corporation	3,739,000	Vinh Hoan Corporation	5,802,444
Bank for Investment and Development of Vietnam	3,691,648	Petrovietnam Fertilizers & Chemicals Corporation	5,304,891
Vietnam JS Commercial Bank	3,577,439	Viet Capital Securities JSC	4,302,193
Khang Dien House Trading and Investment JSC	3,567,390	Phu Nhuan Jewelry JSC	3,971,144
Ha Do JSC	3,432,951	Vietnam Export-Import Commercial JS Bank	3,572,155
Petrovietnam Technical Services Corporation	3,349,216	Saigon Thuong Tin Commercial	3,493,117
FPT Securities JSC	3,131,652	FPT Digital Retail JSC	3,416,573
Duc Giang Chemicals Group JSC	2,881,979	SSI Securities Corporation	3,310,881
Hoa Phat Group JSC	2,818,035	FPT Securities JSC	3,192,916
Saigon Hanoi Securities JSC	2,751,916	Hoa Phat Group JSC	3,189,774
Vinh Hoan Corporation	2,145,546	Khang Dien House Trading and Investment JSC	2,736,594
PC1 Group JSC	2,144,456	Petrovietnam Power Corporation	2,686,329
Vndirect Securities Corporation	1,669,596	Petrovietnam Power Nhon Trach 2 JSC	2,552,281
Petrovietnam Drilling and Well Service Corporation	1,624,608	Petrovietnam Technical Services Corporation	2,387,440
Viet Capital Securities JSC	1,569,237	Vndirect Securities Corporation	2,324,985
Kinh Bac City Development Holding Corporation	1,542,801	Petrovietnam Drilling and Well Service Corporation	2,052,685
Military Commercial Joint Stock Bank	1,531,686	Refrigeration Electrical Engineering Corporation	1,931,184
		Investment & Industrial Development JSC	1,800,727
		Vincom Retail JSC	1,755,648