

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 2020, as amended (collectively, the “Regulations”).

SEMI-ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

DC Developing Markets Strategies plc

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DC Developing Markets Strategies plc

General Information

Directors:

Rachel Nancy Hill (British – Non-Independent)
Maire O’Connor (Irish – Independent)
Bronwyn Wright (Irish – Independent)
Arun Neelamkavil (Irish – Independent) (*appointed 4 August 2021*)

Administrator, Registrar and Transfer Agent:

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

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
Riverside One
Sir John Rogerson’s Quay
Dublin 2
Ireland

Secretary and Registered Office:

KB Associates
Ground Floor
5 George’s Dock
IFSC
Dublin 1
Ireland

UCITS Management Company:

KBA Consulting Management Limited (*appointed 9 August 2021*)
Ground Floor
5 George’s Dock
IFSC
Dublin 1
Ireland

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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 investor 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 2021

A. MACRO ECONOMY

The economy continued to give clear indications of recovery in December and so 2021 ended on a strong note. After the effective shut-down of the country in 3Q due to the Delta variant, when GDP fell 6.7%, 4Q has been provisionally estimated at +5.2%, putting full-year growth at +2.6%. Manufacturing has been the clear leader this year, rising +4.1%. Services have lagged, gaining only 1.2%, because domestic and international travel have been heavily controlled. This was bad news for the retail, hospitality and tourism sectors. But the recovery has started.

Manufacturing has been the main driver because vaccinations got workers back into factories and global demand for Vietnamese exports never faltered. Total trade for 2021 rose 22.6% to \$668.5bn. Imports increased 26.6% to \$332.3bn, heavily pushed by inventory building. This outpaced exports, which gained only +19.1% to \$336.3bn because some pandemic constraints still imposed themselves. But that was enough to reverse the cumulative trade deficit of \$2.4bn in July to a surplus of \$4.0bn by December. The contribution of FDI was as intensive as ever, at nearly 70% of total trade, and this is likely to grow in coming years as the supply-chain shift continues. The RCEP agreement, starting 1 January 2022, will accelerate the process.

On COVID, Vietnam has now achieved 75% double vaccination and 81% single, after its emergency inoculation campaign took shots from zero per day in early July to as many as 2m now. Boosters have started too. Ironically, daily cases have hit new records, at 18,000 recently, as lockdowns end. But cases are more evenly spread across the country, as opposed to being concentrated in Hochiminh City and Hanoi. And prioritizing vaccinations in those two high-GDP areas has put them back to work on a timely basis. Also, cases are much less severe, so hospital systems are not being overwhelmed. It is hoped the country's borders can be opened within 1Q 2022.

Two further signs of Vietnam's rude macro health are low inflation and an appreciating currency. The CPI was just +1.8% in 2021, partly because of Vietnam's more basic CPI basket vs the US and Europe, but also because of its restrained fiscal and monetary policies. As for the VND, with the trade surplus, record FX reserves and high real rates – as well as low inflation – it was +1.2% in 2021 and may be slightly stronger this year. Clearly, if COVID progress continues and Fed tightening does not derail global growth, Vietnam's economy should carry on performing. It will get an extra boost from the 2022-23 fiscal stimulus package approved in Jan 2022, at \$15.3bn, or about 2.3% of GDP per annum. This is lower than the \$33bn once envisioned, and may be unduly conservative, but will be enough to cement recovery. We expect core GDP growth of +7.3% in 2022, and as much as 9.6% if the stimulus is vigorously executed.

B. STOCK MARKET

The VN Index totally gained 39.0% (\$TR) in 2021, closing at 1498, but majority of the gain was made in 1H. In 3Q it was knocked to 1414 by the omicron variant but recovered its nerve quickly in Q4 as reports suggested that omicron is far less severe than delta, if more infectious. The benchmark might have notched new highs, except for the fact that lower liquidity fell with the holidays approaching. Average daily turnover in December declined 17% from the record high in November to \$1,191m on HOSE, and \$1,446m on the combined exchanges. This coincided with margin clean-up by brokers at the end of the quarter, hitting prices.

However, the run-up in 2H was lead by second and third-liners. The small-cap index was +56.0% and the mid-cap index +32.6%, while the VN30 was almost flat +0.4%. The increasing participation of new retail investors, trading on margin, indulging a fever for small- and mid-cap's with negligible fundamentals. The reasons for this trend are not hard to find: (a) disruption of the economy by COVID, creating a preference for fast-buck speculation rather than serious investment; (b) fear of NPLs in banks, amplified by vague and misleading comments from the SBV; (c) overhang supply from big companies, which, for the moment, definitely trumps superior fundamentals; (d) hype on how the stimulus package will benefit developers, as speculation in provincial land heats up; (e) continued selling by foreigners, which to some extent leaves retail investors with no other choice but follow the big hands. Nonetheless we do think that as the economy returns to its normal growth patterns in 2022, quality big-cap stocks, which reflect the macro drivers best, will come back into their own as leaders.

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Investment Manager's Report (continued) 31 December 2021

B. STOCK MARKET (CONTINUED)

Meanwhile it is worth reflecting that not only did Vietnam have one of the best returns globally in 2021, at +39.1%, it also experienced significant progress in market development. There are now 63 companies with capitalization in excess of \$1bn. Daily turnover has reached a new normal of \$1.2bn, and often much more, which is above many EM peers. Monthly new-account openings currently surpass all the openings in 2019. As volumes spiraled in 1H21, exchange computers froze up and trading halts plagued the market, but they were fully resolved by August, Market infrastructure will get another boost with the arrival of a new Korean trading system during 2Q22, which will bring T+0 settlement, and scope for yet higher turnover. Futures, options, warrants and other derivative products will also evolve.

If the Fed manages to tighten in a constructive way, the fundamentals point to another positive year in 2022. With 70% of the population fully vaccinated, and a fiscal support package about to be launched, economic recovery will only just be starting. We forecast a market EPS of +22.6% and expect share prices to follow, since that level of earnings growth would leave the PER at only 11.8x. That is cheap in its own right, and very inexpensive vs regional peers.

C. FUND PERFORMANCE

Cumulative returns

Total return in USD	3MO	6MO	1YR	2YR	3YR	Since Inception 30 Sep 2013
VEF-A	9.43	8.04	54.10	78.86	78.70	298.24
VN Index (TR USD)	11.68	7.98	39.00	63.21	79.30	248.91
FTSE Vietnam (TR USD)	7.54	4.10	34.00	59.13	70.50	128.55

Total return in EUR	3MO	6MO	1YR	2YR	3YR	Since Inception 04 July 2018
VEF-B	12.31	13.77	68.27	78.13	82.05	100.14
VN Index (TR EUR)	13.50	12.38	49.24	60.92	80.16	83.26
FTSE Vietnam (TR EUR)	9.29	8.33	43.92	56.93	71.30	69.14

Calendar year returns

	2021	2020	2019	2018	2017	2016	2015	2014	2013 ⁽¹⁾
VEF-A	54.10	16.08	-0.09	-3.43	41.35	19.36	13.25	18.31	2.09
VN Index (TR USD)	39.00	17.39	9.88	-9.45	52.74	17.08	4.88	9.23	3.50
FTSE Vietnam (TR USD)	34.00	18.71	7.14	-10.72	49.45	-0.82	-13.04	10.17	5.74

(1) From 30 Sep 2013 to 31 Dec 2013

	2021	2020	2019	2018 ⁽²⁾
VEF-B	68.27	5.86	2.20	9.94
VN Index (TR EUR)	49.24	7.83	11.96	1.72
FTSE Vietnam (TR EUR)	43.92	9.04	9.16	-1.26

(2) From 04 Jul 2018 to 31 Dec 2018

Disclaimer: Past performance is not 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.

Investment Manager's Report (continued)
31 December 2021

C. FUND PERFORMANCE (CONTINUED)

DCDMS's NAV per share rose 8.04% in USD, in line with the reference index, the VNIndex, which gained 7.98% in USD from Jun to Dec 2021. The two largest contributors to the Fund's return during the reporting period were property and broker stocks while most of other holdings were laggards.

The stock market in 2H 2021 was entirely driven by local retail investors who are in favor of small and penny stocks. The small-cap index was +56.0% and the mid-cap index +32.6%, while the VN30 was almost flat +0.4%. The worst thing was that the banking sector, the largest sector in the portfolio, retreated approximately 8% in 2H 2021 as local retail investors took profit to buy the second and third liners where DCDMS did not have exposure.

However we believe it is just the matter of time that the bank stocks will come back given the strong fundamentals of the banks that DCDMS is holding. We think the worst time of the pandemic is already over and with the high vaccination rate, Vietnam should be confident to reopen its economy in 2022. We currently forecast the banking sector would deliver a profit growth of 30% in 2022 thanks to sustained credit growth, slightly improved net interest margin and lower provision expenses.

Two other sectors that helped DCDMS outperform in 2021 and we think will continue to do so in 2022 are retailing and stock brokerage. The pandemic is changing consumer behaviors dramatically as people get used to shopping in modern stores and online instead of traditional wet markets. Besides months of lock-down created pent-up demand, especially in holiday season, will be a sweet spot for retailers like Mobile World Group (MWG) and Phu Nhuan Jewelry (PNJ).

Last but not least, given the low inflation risk in Vietnam and still positive real interest rate, there is little pressure for the State Bank of Vietnam to increase the policy rates. We think Vietnam will maintain a low interest rate environment to support the post-COVID economy. As a result, equity would continue to be an attractive investment to local investors in comparison to traditional bank saving. Therefore securities companies will continue to benefit from increasing turnover of the stock market.

To sum up, Vietnam market has performed well in both 1H and 2H 2021 but the return is just enough to reflect the average growth of the listed companies. The market on average is still trading at a reasonable valuation of 14.3x PER 2021 which is lower than regional peers while Vietnam's listed companies is likely to deliver higher growth. Therefore we remain our positive view of the market outlook.

Le Yen Quynh
Portfolio Manager
Vietnam Equity (UCITS) Fund
28 January 2022

DC Developing Markets Strategies plc

Statement of Financial Position

Vietnam Equity (UCITS) Fund			
		As at	As at
		31 December 2021	30 June 2021
	Notes	US\$	US\$
<u>Assets</u>			
<i>Financial assets at fair value through profit or loss:</i>			
- Transferable securities	2,12	257,341,806	187,578,885
Cash and cash equivalents	2	6,724,619	13,315,104
Receivable for investments sold		197,864	1,344,966
Other assets and receivables	6	125,924	138,038
Total assets		264,390,213	202,376,993
<u>Liabilities</u>			
Payable for investment purchased		-	(2,177,527)
Other liabilities and accrued expenses	7	(623,389)	(601,667)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		(623,389)	(2,779,194)
<u>Net assets attributable to holders of redeemable participating shares</u>		263,766,824	199,597,799
		31 December 2021	30 June 2021
		2021	2020
Redeemable participating shares outstanding at the end of the financial period			
Class A	5	4,949,190	3,785,661
Class B	5	30,020	29,281
Net Asset Value per redeemable participating share			
Class A		\$39.82	\$36.86
Class B		€1,959.96	€1,722.67
		\$25.85	€1,164.76

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 2021 US\$	For the six months ended 31 December 2020 US\$
Income			
Net gain on financial assets and financial liabilities at fair value through profit or loss and foreign exchange		23,364,187	34,867,080
Dividend income	2	861,999	1,452,695
Other income	2	33,082	8,811
Total net income		24,259,268	36,328,586
Expenses			
	4,8	(2,895,224)	(1,253,195)
Increase in net assets attributable to holders of redeemable participating shares before tax		21,364,044	35,075,391
Withholding tax		-	-
Increase in net assets attributable to holders of redeemable participating shares from operations		21,364,044	35,075,391

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

	Vietnam Equity (UCITS) Fund	
	For the six months ended 31 December 2021 US\$	For the six months ended 31 December 2020 US\$
Net assets attributable to holders of redeemable participating shares at start of the financial period	199,597,799	87,866,475
Shares issued	91,168,419	20,232,939
Shares redeemed	(48,363,438)	(20,058,476)
Net increase in net assets from share transactions	42,804,981	174,463
Increase in net assets attributable to holders of redeemable participating shares from operations	21,364,044	35,075,391
Net assets attributable to holders of redeemable participating shares at the end of the financial period	263,766,824	123,116,329

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 2021	For the six months ended 31 December 2020
	US\$	US\$
Cash flows from operating activities		
Increase in net assets attributable to holders of redeemable participating shares from operations	21,364,044	35,075,391
Net increase in financial assets at fair value through profit or loss	(70,793,346)	(31,547,934)
Net decrease/(increase) in other assets and receivables	12,114	(13,557)
Net increase/(decrease) in other liabilities and accrued expenses	21,722	(8,989)
Net cash outflow from operating activities	(70,759,510)	(31,570,480)
Cash flows from financing activities		
Proceeds from issue of redeemable shares	91,168,419	17,755,447
Payments for redeemable shares redeemed	(48,363,438)	(20,058,476)
Net cash inflow/(outflow) from financing activities	42,804,981	(2,303,029)
Net (decrease)/increase in cash and cash equivalents	(6,590,485)	1,201,882
Reconciliation of cash movement during the financial period		
Net cash and cash equivalents at the beginning of the financial period	13,315,104	3,807,328
Net cash and cash equivalents at the end of the financial period	6,724,619	5,009,210
Supplemental information		
Dividends received	871,314	1,428,882

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 2021

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 2020, 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 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 2021.

Notes to the Financial Statements (continued)
For the six months ended 31 December 2021

2. Significant Accounting Policies (continued)

New accounting standards effective for the financial period beginning 1 July 2021

There are no new standards and interpretations that are effective for the financial period beginning 1 July 2021 that have a significant impact on the Company.

New standards and interpretations issued but not effective for the financial period beginning 1 July 2021 and not early adopted

There are no new standards and interpretations issued but not effective for the financial period beginning 1 July 2021 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.

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 2021

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.

Notes to the Financial Statements (continued)
For the six months ended 31 December 2021

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 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.

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Notes to the Financial Statements (continued) For the six months ended 31 December 2021

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, 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 representing one sub-fund for another sub-fund of 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 2021 and 31 December 2020:

	Vietnam Equity (UCITS) Fund	
	2021	2020
	US\$	US\$
Expenses		
Investment Management fees (net) ⁽ⁱ⁾	2,124,374	849,489
Management Company fees	15,896	-
Transaction costs	365,308	172,866
Administration fees	120,042	64,694
Depository fees	132,584	(46,092)
Directors fees	36,050	29,714
Audit fees	14,404	14,595
Other expenses	86,566	167,929
Total expenses	2,895,224	1,253,195

(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\$33,107 (31 December 2020: US\$135,130) during the period. For further detail, please see note 8(a).

Notes to the Financial Statements (continued)
For the six months ended 31 December 2021

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 2021 (30 June 2021: 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 A shares and 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 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. The Company has met the minimum capital requirement of EUR 300,000 for self-regulated investment companies as per the Regulations’ requirements.

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Notes to the Financial Statements (continued) For the six months ended 31 December 2021

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 2021:

Vietnam Equity (UCITS) Fund

Class A USD	Total		US\$
Opening balance	3,785,661		
Shares issued	2,220,255	Subscriptions	80,864,220
Shares redeemed	(1,056,726)	Redemptions	(39,482,526)
Closing balance	4,949,190		
Class B EUR	Total		US\$
Opening balance	29,281		
Shares issued	4,959	Subscriptions	10,304,199
Shares redeemed	(4,220)	Redemptions	(8,880,912)
Closing balance	30,020		

The following table shows the movement in the number of redeemable shares for the financial year ended 30 June 2021:

Vietnam Equity (UCITS) Fund

Class A USD	Total		US\$
Opening balance	3,587,028		
Shares issued	2,042,459	Subscriptions	54,715,803
Shares redeemed	(1,843,826)	Redemptions	(48,954,579)
Closing balance	3,785,661		

Vietnam Equity (UCITS) Fund

Class B EUR	Total		US\$
Opening balance	20,431		
Shares issued	12,166	Subscriptions	18,538,439
Shares redeemed	(3,316)	Redemptions	(4,841,478)
Closing balance	29,281		

The share classes are not hedged.

Significant shareholders

31 December 2021	Number of Significant Shareholders	Total Holding as at 31 December 2021	Aggregate Shareholding as a % of the sub-fund as at 31 December 2021
Vietnam Equity (UCITS) Fund	-	-	-
30 June 2021	Number of Significant Shareholders	Total Holding as at 30 June 2021	Aggregate Shareholding as a % of the sub-fund as at 30 June 2021
Vietnam Equity (UCITS) Fund	1	495,501	12.99%

Significant shareholders hold >10% of the Company.

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Notes to the Financial Statements (continued) For the six months ended 31 December 2021

6. Other Assets and Receivables

	Vietnam Equity (UCITS) Fund	
	31 December 2021	30 June 2021
	US\$	US\$
Prepayments	5,670	8,469
Dividends receivable	120,254	129,569
	125,924	138,038

7. Other Liabilities and Accrued Expenses

	Vietnam Equity (UCITS) Fund	
	31 December 2021	30 June 2021
	US\$	US\$
Investment Management fees payable (net)	407,965	283,364
Management Company fees payable	15,896	-
Transaction costs payable	80,410	63,263
Administration fees payable	20,987	16,439
Depositary fees payable	19,757	8,977
Directors fees payable	680	212
Audit fees payable	11,290	26,268
Other expenses payable	66,404	203,144
	623,389	601,667

8. Significant Agreements and Related Party and Connected Person Transactions

Transactions with entities with significant influence

(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 USD shares and a fee of 1.5% per annum of the NAV of Class B EUR 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 A Shares through the use of an expense cap of 2.5% of the average daily net asset value of the 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 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\$2,124,374 (31 December 2020: US\$849,489), of which US\$407,965 (30 June 2021: US\$283,364) 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\$33,107 (31 December 2020: US\$135,130) during the period with US\$Nil (30 June 2021: US\$706) receivable to be offset against management fees payable as at 31 December 2021. The Investment Manager's management fee within expenses in the Statement of Comprehensive Income is net of reimbursement. For further detail please see note 4(i).

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Notes to the Financial Statements (continued) For the six months ended 31 December 2021

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

Transactions with entities with significant influence (continued)

(b) Management Company fees

Under the provisions of the Management Agreement, the Management Company is entitled to a fee for the provision of management, distribution and administration services.

The following fees are payable to the Management Company by the Company. The Management Company Fee 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. Fees are invoiced and payable monthly in arrears.

<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%

Management Company fees incurred by the Company during the period amounted to US\$15,896 (31 December 2020: US\$Nil), of which US\$15,896 (30 June 2021: US\$Nil) 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

Notwithstanding the foregoing, the Monthly Minimum Fee was US\$7,083 until the 12 month anniversary of the date the Administrator began calculating the sub-fund's Net Asset Value.

Administrator fees incurred by the Company during the period amounted to US\$120,042 (31 December 2020: US\$64,694), of which US\$20,987 (30 June 2021: US\$16,439) 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

Notwithstanding the foregoing, the Monthly Minimum Fee was US\$1,250 until the 12 month anniversary of the date the Administrator began calculating the sub-fund's Net Asset Value.

Depositary fees incurred by the Company during the period amounted to \$132,584 (31 December 2020: fees reimbursed during the period due to reversal of prior over accruals amounted to US\$46,092), and US\$19,757 (30 June 2021: US\$8,977) was payable at period end.

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Notes to the Financial Statements (continued) For the six months ended 31 December 2021

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

Transactions with entities with significant influence (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. 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.

Total Directors' fees charged for the financial period ended 31 December 2021 amounted to US\$36,050 (31 December 2020: US\$29,714) and US\$680 remained payable as at 31 December 2021 (30 June 2021: US\$212).

(f) Other related party transactions

Dragon Capital Markets Limited, an affiliate Company of the Investment Manager, owns a 30.07% (31 December 2020: 30%) 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 22.41% (31 December 2020: 21.18%) of the sub-fund's annual trading transaction volume. Transaction fees in relation to trading with HSC amounted to US\$124,855 (31 December 2020: US\$32,210) for the period ended 31 December 2021 with US\$Nil (31 December 2020: US\$Nil) remaining payable as at 31 December 2021.

Dragon Capital Markets Limited held 361,536 of the Vietnam Equity (UCITS) Fund's shares as at 31 December 2021 (30 June 2021: 495,501).

At 31 December 2021, 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 2020 (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, 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 2021	12 months ended 31 December 2020
TER	Class A USD	2.44%	2.36%
	Class B EUR	1.86%	2.19%

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Notes to the Financial Statements (continued) For the six months ended 31 December 2021

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 derivatives 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 2021 and 30 June 2021 is shown below:

Vietnam Equity (UCITS) Fund

	31 December 2021	31 December 2021	30 June 2021	30 June 2021
<i>Geographical Exposure</i>	US\$	% of NAV	US\$	% of NAV
Vietnam	257,341,806	97.56%	187,578,885	93.98%
 <i>Industry Exposure</i>				
Air Freight & Logistics	5,159,329	1.96%	5,069,606	2.54%
Banks	71,196,895	26.99%	73,402,622	36.78%
Capital Markets	31,973,528	12.12%	18,567,859	9.30%
Chemicals	6,578,947	2.48%	-	0.00%
Construction & Engineering	8,750,280	3.32%	3,989,669	2.00%
Construction & Machinery	-	0.00%	1,770,205	0.89%
Electronic Equipment, Instruments & Components	4,727,763	1.79%	-	0.00%
Food & Beverages	-	0.00%	99	0.00%
Gas Utilities	2,025,432	0.77%	3,029,806	1.52%
Insurance	-	0.00%	3,208,861	1.60%
IT Services	9,947,737	3.77%	9,288,305	4.65%
Metals & Mining	17,094,737	6.48%	17,224,454	8.63%
Paper & Forest Products	2,342,105	0.89%	-	0.00%
Real Estate Management & Development	66,064,105	25.05%	34,748,764	17.41%
Speciality Retail	24,709,600	9.37%	10,320,353	5.17%
Textiles, Apparel & Luxury Goods	3,797,664	1.44%	6,958,282	3.49%
Transportation Infrastructure	2,973,684	1.13%	-	0.00%

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Notes to the Financial Statements (continued) For the six months ended 31 December 2021

11. Financial Instruments and Associated Risks (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 2021

	Vietnam Equity (UCITS) Fund US\$	10% sensitivity US\$
Equities	257,341,806	25,734,181
Total	257,341,806	25,734,181

30 June 2021

	Vietnam Equity (UCITS) Fund US\$	10% sensitivity US\$
Equities	187,578,885	18,757,889
Total	187,578,885	18,757,889

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 2021 would have decreased the net assets attributable to holders of redeemable shares by US\$26,221,858 (30 June 2021: US\$17,950,284). 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 2021, 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	844,085	-	844,085	0.32%	84,409
VND	4,032,680	257,341,806	261,374,486	99.09%	26,137,449

At 30 June 2021, 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	590,734	-	590,734	0.30%	53,702
VND	9,413,086	187,578,885	196,991,971	98.69%	17,896,582

Notes to the Financial Statements (continued)
For the six months ended 31 December 2021

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 2021 (30 June 2021: Nil).

As at 31 December 2021, 2.55% (30 June 2021: 6.67%) 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 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 2021 was A (30 June 2021: 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.

Notes to the Financial Statements (continued)
For the six months ended 31 December 2021

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 sub-fund may invest in markets where custodial and/or settlement systems are not fully developed, the assets of a sub-fund 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.

Brexit and associated risks

The United Kingdom ("UK") officially left the European Union ("EU") on 31 January 2020 but remained subject to EU regulations during an agreed transitional phase until 31 December 2020. Although a free trade agreement was ratified by both the EU and the UK in December 2020 and the transitional phase has ended, there remains a number of uncertainties in connection with the UK's relationship with the EU in regards to potential regulatory alignment or equivalence. Until the terms of the regulations are clearer, it is not possible to determine the full impact that the UK's departure and/or any related matters may have on the Company's UK investors.

The FCA's Temporary Permissions Regime ("TPR") will allow the Company to continue to be distributed to investors in the UK for a period of up to 3 years from 31 December 2020. The Company made a notification to the FCA of its intention to avail of the TPR on 21 January 2019.

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.

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Notes to the Financial Statements (continued) For the six months ended 31 December 2021

12. Fair Value Hierarchy (continued)

The following tables summarise the sub-fund's financial instruments measured at fair value within the fair value hierarchy as at 31 December 2021 and 30 June 2021:

31 December 2021

Vietnam Equity (UCITS) Fund

Financial instruments measured at fair value

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total Fair Value US\$
Financial assets at fair value through profit or loss:				
Equities	257,341,806	-	-	257,341,806
	257,341,806	-	-	257,341,806

There were no transfers between Level 1 and Level 2 during the financial period ended 31 December 2021.

There were no Level 3 securities held by the sub-fund during the financial period ended 31 December 2021.

30 June 2021

Vietnam Equity (UCITS) Fund

Financial instruments measured at fair value

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total Fair Value US\$
Financial assets at fair value through profit or loss:				
Equities	185,501,668	2,077,217	-	187,578,885
	185,501,668	2,077,217	-	187,578,885

During the financial year ended 30 June 2021, there was a transfer of one security from Level 1 to Level 2 amounting to US\$2,077,217 due to a lack of trading activity in the market at year end.

There were no Level 3 securities held by the sub-fund during the financial year ended 30 June 2021.

All other assets and liabilities are classified as Level 1.

13. Exchange Rates

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

	As at 31 December 2021	As at 30 June 2021
US\$ / EUR	0.8825	0.8400
US\$ / VND	22,800.0000	23,022.5000

**Notes to the Financial Statements (continued)
For the six months ended 31 December 2021**

14. Soft Commission Arrangements

There were no soft commission arrangements in existence during the financial period ended 31 December 2021 or 31 December 2020.

15. Contingent Liabilities

There were no contingent liabilities as at 31 December 2021 or 31 December 2020.

16. Significant Events During the Financial Period

Since the start of the COVID-19 pandemic in January 2020, there have been approximately 355 million cases worldwide, as of December 2021. There is still a great amount of uncertainty surrounding the virus, with record number of cases being recorded in numerous regions. Additionally, the emergence of COVID-19 variants have had far reaching consequences, with announcements of further lockdowns and travel restrictions to curb their spread. While the final fiscal ramifications of the pandemic are still unknown, there have been many advances made to curb and control outbreaks, which has meant that many jurisdictions are able to proceed with their ‘‘phased returns’’ to ease lockdowns and reopen their economies. Thanks to vaccination efforts the global economic outlook is much more optimistic than this time last year, with the IMF predicting global growth of 6% for 2021 and 4.4% for 2022.

All service providers have enacted their respective business continuity plans and the Board of Directors will continue to monitor this situation closely. There have been no significant operational issues affecting the Company or its service providers since the COVID-19 pandemic began.

Following the Central Bank review of the implementation of Consultation Paper 86 (‘‘CP86’’) and the introduction of additional substance requirements for self-managed investment companies (‘‘SMIC’’) such as the Company, the Board of Directors took the decision to seek a UCITS management company to take on the required regulatory functions and to move the Company away from its status as a SMIC. The Board of Directors conducted a search for an appropriate service provider and, following extensive due diligence, decided to appoint KBA Consulting Management Limited as UCITS management company for the Company, subject to regulatory approval. The Board of Directors approved the appointment in principle on 11 January 2021. Following the completion of the necessary legal and regulatory work, the appointment of KBA Consulting Management Limited took effect on 9 August 2021.

Arun Neelamkavil was appointed as Director to the Company effective 4 August 2021.

The Supplement was updated on 10 August 2021 to include the appointments mentioned above as well as removing the Minimum Subsequent Subscription amount of €100,000 for class B shares and changing the minimum holding amount for class B shares from €5,000,000 to €1,000,000.

The Supplement was updated on 16 November 2021 mainly to make minor changes to timings on subscription and redemption requests, receipts and payment.

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

17. Significant Events After the Financial Period End

On 25 January 2022, KBA announced that, subject to regulatory approval, it will become a member of the Waystone Group.

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

18. Approval of the Financial Statements

The financial statements were approved by the Directors on 25 February 2022.

DC Developing Markets Strategies plc

Schedule of Investments As at 31 December 2021

Vietnam Equity (UCITS) Fund

Number of Shares	Investment Name	2021 Fair Value US\$	2021 % of Net Assets
Transferable securities			
Equities			
1,352,100	Airports Corp Of Vietnam Jsc	5,159,329	1.96%
3,330,000	An Gia Real Estate Investmen	7,594,737	2.88%
5,210,000	Asia Commercial Bank	7,883,553	2.99%
2,341,204	Bank For Foreign Trade Jsc	8,091,530	3.07%
3,450,000	Dat Xanh Group	5,296,053	2.01%
1,494,460	Dat Xanh Real Estate Service	2,444,884	0.93%
870,000	Digiworld Corp	4,727,763	1.79%
600,000	Dong Hai Jsc Of Bentre	2,342,105	0.89%
2,438,800	Fpt Corp	9,947,737	3.77%
784,145	Fpt Securities Jsc	2,056,661	0.78%
3,000,096	Ha Do Jsc	8,750,280	3.32%
1,000,000	Hai An Transport & Stevedori	2,973,684	1.13%
8,400,000	Hoa Phat Group Jsc	17,094,737	6.48%
750,000	Investment & Industrial Deve	2,105,263	0.80%
3,150,174	Khang Dien House Trading And	7,046,442	2.67%
3,000,000	Kinh Bac City Development Sh	8,000,000	3.03%
16,880,440	Military Commercial Joint	21,396,698	8.11%
4,145,540	Mobile World Investment Corp	24,709,600	9.37%
2,442,314	Nam Long Investment Corp	6,877,042	2.61%
1,965,044	No Va Land Investment Group	7,842,939	2.97%
3,000,000	Petrovietnam Fert & Chemical	6,578,947	2.49%
480,040	Petrovietnam Gas Joint Stock	2,025,432	0.77%
900,070	Phu Nhuan Jewelry Jsc	3,797,664	1.44%
5,250,000	Saigon Thuong Tin Commercial	7,253,289	2.75%
1,703,999	Ssi Securities Corp	3,871,366	1.47%
1,200,000	Tu Liem Urban Development Js	2,194,737	0.83%
3,189,800	Viet Capital Securities Jsc	10,184,975	3.86%
9,809,891	Vietnam Prosperity Jsc Bank	15,403,250	5.84%
5,092,870	Vietnam Technological & Comm	11,168,575	4.23%
1,200,124	Vingroup Jsc	5,005,780	1.90%
3,241,000	Vinhomes Jsc	11,656,228	4.42%
4,410,000	Vndirect Securities Corp	15,860,526	6.01%
Total equities		257,341,806	97.56%
Total value of financial assets at fair value			
Cash		6,724,619	2.55%
Other net liabilities		(299,601)	(0.11)%
Total Net Assets Attributable to Holders of Redeemable Participating Shares		263,766,824	100.00%

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Schedule of Investments (continued) As at 31 December 2021

Vietnam Equity (UCITS) Fund (continued)

Analysis of Total Assets	US\$	% of Total Assets
Transferable securities admitted to an official stock exchange listing	249,737,593	94.46%
Transferable securities traded on another regulated market	7,604,213	2.88%
Deposits	6,724,619	2.54%
Other assets and receivables	323,788	0.12%
Total Assets	264,390,213	100.00%

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Significant Purchases and Sales For the six months ended 31 December 2021

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\$
Mobile World Investment Corp	13,325,254	No Va Land Investment Group	10,669,130
Vinhomes JSC	12,437,603	Vingroup JSC	7,446,475
No Va Land Investment Group	7,785,241	Vietnam Js Commercial Bank F	6,160,958
An Gia Real Estate Investments	7,108,043	Hoa Phat Group JSC	5,058,113
Hoa Phat Group JSC	6,278,093	Phu Nhuan Jewelry JSC	5,040,559
Digiworld Corp	5,952,353	Hoa Sen Group	3,582,853
Military Commercial Joint	5,920,012	Masan Group Corp	3,103,561
Petrovietnam Fert & Chemical	5,572,882	Bao Viet Holdings	3,100,940
Vingroup JSC	5,491,495	Mobile World Investment Corp	2,854,209
Saigon Thuong Tin Commercial	4,317,181	Saigon Thuong Tin Commercial	2,132,123
Hoa Sen Group	4,282,513	Kinh Bac City Development Share Holding	1,914,605
Kinh Bac City Development Share Holding	4,073,137	FPT Corp	1,613,931
Nam Long Investment Corp	3,444,077	Vietnam Engine & Agricultural	1,503,266
Vietnam Technological & Commercial	3,140,619	Fpt Securities JSC	1,249,144
Hai An Transport & Stevedoring JSC	3,116,546	Petrovietnam Gas Joint Stock	1,233,335
Ssi Securities Corp	2,899,259	Khang Dien House Trading And	
Masan Group Corp	2,647,815	Investment JSC	874,631
Tu Liem Urban Development JSC	2,338,236	Vndirect Securities Corp	796,569
Dong Hai Jsc Of Bentre	2,319,878	Digiworld Corp	717,720
Phu Nhuan Jewelry JSC	2,107,384	Airports Corp Of Vietnam JSC	665,166
Datxanh Services	1,950,729		
FPT Corp	1,729,515		
Ha Do JSC	1,127,486		