

DWS Vietnam Fund Limited

Consolidated Annual Report and Audited Financial Statements for the year ended 31 December 2013

Disclaimer

This is for informational purposes only. It is based on a report provided to DWS Vietnam Fund Limited by Deutsche Asset Management (Asia) Limited ("DeAM") as DWS Vietnam Fund Limited's investment advisor. The report is proprietary to DWS Vietnam Fund Limited and may not be relied upon by any other party. It is not the basis for any contract to deal in any security or instrument, or for any person to enter into or arrange any type of transaction as a consequence of any information contained. This announcement shall not be construed as the making of any offer or invitation to anyone in any jurisdiction in which such offer is not authorised or in which the person making such offer is not qualified to do so or to anyone to whom it is unlawful to make such an offer. The forecasts provided are based upon DeAM's opinion of the market as at this date and are subject to change, dependent on future changes in the market. Any prediction, projection or forecast on the economy, stock market, bond market or the economic trends of the markets is not necessarily indicative of the future or likely performance. Investments are subject to risks, including possible loss of principal amount invested. The value of shares/units and their derived income may fall as well as rise. Past performance or any prediction or forecast is not necessarily indicative of future performance. This document does not constitute investment advice or recommendation and was prepared without regard to the specific objectives, financial situation or needs of any particular person who may receive it. You are not authorised to redistribute this document nor qualified to make any offer, representation or contract on behalf of the DWS Vietnam Fund Limited. Although the information was compiled from sources believed to be reliable, no liability for any error or omission is accepted by the DWS Vietnam Fund Limited, DeAM or its affiliates or any of their directors or employees. The information and opinions contained may also change.



DWS VIETNAM FUND LIMITED

<u>CONTENTS</u>	Page
General Information	2
Statement of Directors' Responsibilities	4
Independent Auditor's Report	6
Investment Manager's Report	8
Consolidated Portfolio of Investments	25
Consolidated Financial Statements:	
Consolidated Statement of Comprehensive Income	28
Consolidated Statement of Financial Position	29
Consolidated Statement of Changes in Equity	30
Consolidated Statement of Cash Flows	31
Notes to the Financial Statements	32
Company Financial Statements:	
Statement of Directors' Responsibilities	63
Independent Auditor's Report	64
Company Balance Sheet	66
Notes to the Company Financial Statements	67
Other Information	71
Supplemental Unaudited Information	73

DWS VIETNAM FUND LIMITED

GENERAL INFORMATION

The following information is derived from and should be read in conjunction with the full text and definitions section of the Prospectus dated 17 November 2006.

DWS Vietnam Fund Limited (the “Company”) was incorporated in the Cayman Islands on 13 September 2006 under the Companies Law, Cap. 22 (Revised) of the Cayman Islands as an exempted company with limited liability.

The Company is a closed-end investment company, with an authorised share capital of US\$10,000,000 consisting of 1,000,000,000 shares of par value of US\$0.01 each. The Company is listed on the Irish Stock Exchange.

The Company’s assets are managed by the Investment Manager and its Sub-Investment Manager as detailed below and are subject to the supervision of the Board. The Investment Manager may, in its discretion, appoint any number of Sub-Investment Advisors and Segregated Fund Managers. All investments made on behalf of the Company, whether by the Investment Manager or by a Segregated Fund Manager, comply with all investment objectives, policies and restrictions of the Company.

INVESTMENT MANAGEMENT ARRANGEMENTS

The Company is managed by Deutsche Asset Management (Asia) Ltd. (“DeAM Asia” or the “Investment Manager”) pursuant to the Investment Management Agreement (IMA), dated 15 November 2006. The Investment Manager makes investment decisions based on its knowledge of the Vietnamese securities and investment market in accordance with the investment policies, objectives and restrictions of the Company.

With effect from 30 April 2009 (“the effective date”), DeAM Asia the appointed discretionary investment manager of the DWS Vietnam Fund Limited, pursuant to its authority and discretion under the terms of the amended and restated IMA between DeAM Asia and the Company dated 14 February 2007, delegated certain of its investment management duties under this agreement to Duxton Asset Management Pte. Ltd (“Duxton” or the “sub-Investment Manager”), a related party as detailed in Note 16.

Duxton is a specialist asset manager based in Singapore. There is no material change in the personnel responsible for the management of assets of the Company as the key staff of Duxton who carry out the investment management duties are former employees of DeAM Asia, including the core team previously responsible for the management of the Company. This delegation does not change the investment objectives of the Company. After the effective date, Duxton is entitled to appoint Segregated Fund Managers and Investment Advisors (as defined in the IMA and the Prospectus of the Company dated 20 February 2007). Consequently, PXP Vietnam Asset Management Limited has been appointed by Duxton to manage a portion of the investment cash.

Ultimate discretion over the assets of the Company remains with the Board of Directors who have delegated this function to DeAM Asia as the appointed discretionary investment manager under the terms of the IMA. There is no increment in the management fees payable by the Company and any fees due and payable to Duxton are paid by DeAM Asia. However, as disclosed in the Prospectus, the Company will be responsible for all out of pocket costs and expenses incurred by its manager, sub-managers and investment advisers, including Duxton.

DWS VIETNAM FUND LIMITED

GENERAL INFORMATION (CONTINUED)

CUSTODIAN

The Group has appointed State Street Custodial Services (Ireland) Limited as Custodian of its assets. Assets located in Vietnam or assets located in any other jurisdictions which require assets to be held by a local custodian are held within the State Street sub-custodian network pursuant to the Custodian Agreement. The assets located in Vietnam and the other jurisdictions are held with a sub-Custodian in the local market. The Custodian and any sub Custodian appointed by the Custodian provides safe custody for the Company's assets that can be legally held outside of Vietnam. The Investment Manager ensures that adequate custody arrangements have been entered into by any fund in which the assets of the Company are invested.

The Custodian and any other duly appointed sub-custodian holds all assets of the Company received by the Custodian in accordance with the terms of the Custodian Agreement. Under the Custodian Agreement, the Custodian acknowledges that investments of the Company made in markets where custodial and/or settlement systems are not fully developed, such as Vietnam, and that the assets of the Company and its subsidiaries which are traded in such markets are required to be held by local sub-custodians operating and established in such jurisdictions.

ADMINISTRATOR

The Group has appointed State Street Fund Services (Ireland) Limited as Administrator pursuant to an agreement dated 10 November 2006.

DIVIDENDS

It is not the current intention of the Directors to pay dividends to the Shareholders.

SHARES

The Shares constitute the only class of shares in the Company. All Shares have the same rights, in relation to voting, dividends, return of share capital and other matters as set out in the Articles of Association.

DWS VIETNAM FUND LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE GROUP FINANCIAL STATEMENTS

The directors are responsible for preparing the group financial statements, in accordance with applicable law and regulations.

In preparing the group financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the financial statements comply with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

Under applicable law and the requirements of the Listing Rules issued by the Irish Stock Exchange, the directors are also responsible for preparing a Management Report. In particular, in accordance with the Transparency Directive (2004/109/EC) Regulations 2007 (S.I. No. 277 of 2007), (the "Regulations"), the directors are required to include in this report a fair review of the business and a description of the principal risks and uncertainties facing the group and the company and a responsibility statement relating to these and other matters, included below. The directors consider that the information required to be included in their Management Report, is included in the Investment Manager's Report on pages 8 to 24.

The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the consolidated financial statements comply with, as regards the financial statements, Article 4 of the International Accounting Standards (IAS) Regulation (1606/2002). They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Consolidated financial statements: risk management and internal control

The Board of Directors (the "Board") are responsible for establishing and maintaining for the Group, adequate internal control and risk management systems in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of error or fraud in achieving the Group's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has procedures in place to ensure that all relevant books of account are properly maintained and are readily available, including the procedures for the production of audited annual consolidated financial statements. The Board of Directors has appointed the Administrator to maintain the books and records of the Group. From time to time, the Board of Directors examine and evaluate the Administrator's financial accounting and reporting routines. The annual financial statements are produced by the Administrator and reviewed by the Investment Manager. They are required to be approved by the Board of Directors and annual and half yearly consolidated financial statements are required to be filed with the Irish Stock Exchange ("ISE").

DWS VIETNAM FUND LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE GROUP FINANCIAL STATEMENTS (CONTINUED)

During the period of these consolidated financial statements, the Board was responsible for the review and approval of the annual consolidated financial statements as set out in the Statement of Directors Responsibilities. The financial statements are required to be audited by independent auditors who report annually to the Board on their findings. The Board monitor and evaluate the independent auditor's performance, qualification and independence. As part of its review procedures the Board receives presentations from relevant parties including consideration of developments in international accounting standards and their impact on the annual financial statements, and presentations and reports on the audit process. The Board evaluates and discusses significant accounting and reporting issues as the need arises.

The Administrator prepares the consolidated valuation for the Group at each valuation point in the form of a composite trial balance which consolidates in an automated manner all of the related special purpose vehicles ("SPVs"). This consolidation includes all of the companies directly or indirectly controlled by the Group. The consolidation workings are prepared using the standard operating procedures of the Administrator where systems and controls are in place to ensure that all underlying SPVs are consolidated correctly with appropriate elimination of any inter-SPV balances.

Each valuation at consolidated level is reviewed in accordance with standard operating procedures of the Administrator. The consolidated financial statements are prepared by the Administrator in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and the Administrator uses various internal controls and checklists to ensure the financial statements include complete and appropriate disclosures required under IFRS and relevant legislation.

In addition, the consolidated valuation as prepared by the Administrator is reconciled by the sub-Investment Manager 'Duxton Asset Management Pte Ltd.', to their own independent records for completeness and accuracy and further reviewed and approved by the Investment Manager 'Deutsche Asset Management (Asia) Ltd'.

Responsibility Statement, in accordance with the Transparency Regulations

Each of the directors, whose names and functions are listed on page 71 in the 'Other Information' section of this report confirm that, to the best of each person's knowledge and belief:

- the group financial statements, prepared in accordance with IFRS as adopted by the EU, give a true and fair view of the assets, liabilities and financial position of the group at 31 December 2013 and its statement of comprehensive income for the year then ended;
- the Investment Manager's report contained in the Annual Report includes a fair review of the development and performance of the business and their impact on the consolidated financial statements of the Group. A description of the principal risks and uncertainties that the group faces is provided within the Investment Manager report on pages 8-24 and note 17 of the financial statements.
- Note 16 'Related Party Transactions' includes detail on all related parties and related party transactions of the Company for the year ended 31 December 2013.

On behalf of the Board of Directors

Director

Director

Date: 24 April 2014

DWS VIETNAM FUND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DWS VIETNAM FUND LIMITED

We have audited the consolidated financial statements of DWS Vietnam Fund Limited (the "Company") for the year ended 31 December 2013 which comprise the Consolidated Portfolio of Investments, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Cashflows, the Consolidated Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is International Financial Reporting Standards (IFRS) as adopted by the European Union.

This report is made solely to the Company's members, as a body. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are responsible for the preparation of the consolidated financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with International Standards on Auditing. Those standards require us to comply with the Code of Ethics issued by the International Ethics Standard Board for Accountants.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the consolidated financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited consolidated financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the consolidated financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the Group's affairs as at 31 December 2013 and of its results for the year then ended; and
- the financial statements have been properly prepared in accordance with the Article 4 of the International Accounting Standards (IAS) Regulation (1606/2002).

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

DWS VIETNAM FUND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DWS VIETNAM FUND LIMITED (CONTINUED)

In our opinion the financial statements are in agreement with the books of account and, in our opinion proper books of account have been kept by the Company.

In our opinion the information given in the Directors' report is consistent with the financial statements.

**Niamh Marshall, for and on behalf of KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
International Financial Services Centre
Dublin 1**

25 April 2014

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013

NAV Update

The Net Asset Value (“NAV”)* per share of the DWS Vietnam Fund (“Fund”) as of 31 December 2013 was USD 0.6405, up 26.58% from USD 0.5060 as of 31 December 2012

*The Net Asset Value per the Financial Statements has been reduced by the market value of 40,100,000 (2012: 40,100,000) DWS Vietnam Fund Ltd. shares purchased to date by Siglap Ltd., Beira Ltd. and Epsom Ltd. three wholly owned subsidiary companies, as detailed in Note 2(k) of this financial report. Consequently, the NAV per share and the sector analysis in this Investment Manager's Report will differ marginally to the NAV per share and sector classifications in this financial report.

Market Overview

Gradual economic recovery

As we forecast a year ago, Vietnam's economy has gone through a year of macro-economic stabilisation in 2013, with most economic indicators heading towards a gradual recovery. The country recorded a GDP growth rate of 5.4% for 2013 (5.2% in 2012), driven by a strong growth of 7.4% in the manufacturing sector (2012: 5.8%) and 5.8% in the construction sector (2012: 3.3%), the two swing factors of growth. The service sector also performed well with a growth rate of 6.5% in 2013 (2012: 5.9%)¹.

According to the General Statistics Office of Vietnam, inflation was successfully controlled at just 6.04% YoY in 2013, the lowest rate recorded in 10 years. The Vietnamese government committed to keeping the inflation below 7% for 2014².

Both exports and imports are up 15.4% against the previous year, resulting in a trade surplus USD 863 million in 2013¹. The solid growth of exports was attributed to the rapid expansion of high-tech manufacturing such as cell phones and spare parts, computer and electronic products¹.

The Vietnamese Dong exchange rates have held stable throughout the year, devaluating by a mere 1.3% in 2013³ compared to the end of 2012 level, lower than the expected adjustment rate of 2-3%⁴. As a result, the foreign reserves touched USD 30 billion, an increase of 50% compared to 2012 and 100% compared to 2011⁵.

Vietnam's Foreign Direct Investment (FDI) has been resilient throughout all the tribulations in the economy. In 2013, Vietnam attracted USD 21.6 billion in registered FDI, a strong increase of 54.5% compared to 2012, while FDI disbursement stood at USD 11.5 billion, up 9.9% from 2012¹. This indicates that Vietnam is perceived by investors as a good place for companies to do business thanks to its competitive labour costs, dynamic educated workforce and political stability. Japan was the biggest FDI investor in Vietnam, followed by Singapore and South Korea. FDI companies contributed USD 88.5 billion into the country's total exports, an increase of 22.4% from the previous year, and enjoy a trade surplus of USD 14 billion⁶.

¹ Source: General Statistics Office of Vietnam

² Source: VietnamNet

³ Source: Bloomberg

⁴ Source: Tuoitre News

⁵ Source: VnEconomy

⁶ Source: Foreign Press Center of Vietnam

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

Banking sector update

In the banking system, the State Bank of Vietnam (SBV) has successfully reduced both deposit and lending interest rates to help businesses recover their production. The average lending interest rates were cut sharply to approximately 11% at the end of 2013 from the level of approximately 14% a year ago⁷. As a result, 2013's credit growth posted at 12.51%, slightly surpassing the set target of 12% and much higher than last year's figure of 8.91%⁸.

Non-performing loans (NPL) are one of the major issues that the Vietnamese government has to deal with to achieve a sustainable recovery for banking system. According to the SBV, the NPLs are estimated to reach VND146.5 trillion in 2013, a strong increase of 23.7% compared to last year.

However, NPL ratio was announced to be reduced to 3.79% at the end of 2013, down nearly 1% compared to the beginning of 2013. The government has taken several measures to tackle this problem, including the establishment of Vietnam Asset Management Company (VAMC) which has purchased VND38.9 trillion of bad debts from 35 banks with net payment of VND32.4 trillion as of 31 Dec 2013⁹.

Vietnamese banking sector also went through a number of mergers and acquisitions deals in 2013 as part of the structural reforms. The most notable deals include the merger of Western Bank and PV Finance Corporation to establish Pvcombank, the takeover of TrustBank by a group of investors to form Vietnam Construction Bank, and the merger of Dai A Bank and HD Bank. Meanwhile, a series of commercial banks including Saccombank, Military Bank, ABBank, HD Bank and Dong A Bank have also drawn up plans to seek foreign partners⁵.

In addition, the Decree No.01/2014/NĐ-CP on increasing foreign bank ownership was issued on the first days of 2014. Accordingly, foreign ownership caps at local banks have been raised to 20% (from the current 15%) for foreign strategic investors and to 15% (from the current 10%) for non-strategic foreign institutional investors. These holding limits can be lifted in special cases with the approval of the Prime Minister. However, the cap for total foreign holdings at any local bank still remains at 30%, much lower than the level of 49% expected by sector experts.

Stock market update

According to the State Securities Commission, the VNIndex on Ho Chi Minh Stock Exchange gained 20.48% in 2013 (in USD terms)¹⁰, securing the top place in Southeast Asia and ranking fourth in Asia. Apart from rigorous fiscal and monetary policies imposed by the Vietnamese government to stabilize the economy which had positive effects on the Vietnam's stock market, the SBV's proposal on increasing 49% foreign ownership limits in listed firms of certain sectors to 60% was also considered as one of the primary reasons to keep the VNIndex being sustainable over 500 so far. Foreigners were net buyers on the HSX with total value of 5.505 trillion in 2013, a strong increase of 55% compared to the previous year¹¹. While utilities was the best performing sector with the gain of 70%, banking was the only sector that had negative performance of 0.2% due to investors' concerns relating to high rate of non-performing loan ratio and slow progress in the restructuring of Vietnam's banking system. The VNIndex closed the year at 504.63, up 20.48% during 2013 (USD terms), with a P/E ratio of 12.57x, outperforming all regional indices (China -3.94%, Philippines -6.28%, Thailand -13.14%, Singapore -3.22%, Malaysia 2.84% and India -3.47% in USD terms)¹⁰.

⁷ Source: HSC banking survey

⁸ Source: Reuters

⁹ Source: Vietnam News

¹⁰ Source: Bloomberg

¹¹ Source: Ho Chi Minh Stock Exchange

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

Fund Exposure and Performance

The gross returns of each asset class are summarized in the table below and discussed in detail in the following sections.

Asset Class	Exposure on 31 December 2013	Performance 2013
Listed Equities	43.59%	39.09%
Unlisted Equities	35.18%	32.13%
Offshore Collective Investment Schemes	18.31%	51.59%
Fixed Income*	0.74%	8.85%
Note: The remaining 2.18% of the fund was held in cash as of December 2013.		

*Fixed Income securities do not include convertible bonds, which are categorised as equities in the table above.

Sector exposure – 31 December 2013	Total
Food Products	37.72%
Information Technology	9.74%
Building Materials	9.43%
Chemicals	7.52%
Energy Equipment and Services	7.45%
Real Estate Management and Development	6.44%
Metals and Mining	5.67%
Pharmaceuticals	4.48%
Banks	3.98%
Consumer Discretionary	2.69%
Health Care Providers and Services	2.61%
Containers and Packaging	0.99%
Marine	0.91%
Diversified Financials	0.37%
Total	100.00%

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

Peer Group Analysis**

By end of December 2013, the Fund's indicative share price was at USD 0.4650, up 97.87% from USD 0.2350 at the end of 2012¹². In terms of price change, the Fund outperformed all peers including VinaCapital's Vietnam Opportunity Fund, the closest peer based on fund strategy. In terms of NAV change, the Fund also outperformed Vietnam Opportunity Fund by 9.91 absolute percentage points. The Fund underperformed some primarily listed equity funds except for Dragon Capital's Vietnam Growth Fund, but outperformed peers' average over one-year horizon by 5.29 absolute percentage points. The positive returns across all the Vietnam-focused funds reflect the strong performance of the market in 2013, especially large, blue-chips stocks such as Vinamilk, Hoa Phat Group, REE and Petro Vietnam Drilling.

The discount of the secondary market share price to the NAV for the Fund declined substantially from 53% at the end of December 2012 to 27% at the end of December 2013. The average discount to NAV of the peer group remained at 12% at the end of 2013 compared to the end of 2012. We remain confident that the price discount to NAV will narrow over the coming year as the stock markets exhibit gradual improvements and with local and foreign investors' continued interest in the Vietnam's stock market.

Peer group ^ **	Fund size USD mn	Fund Strategy	NAV Analysis		Price Analysis			
			NAV Dec 2013	NAV Change 1 Y	Mid Price (Indicative) 31-Dec-2012	Mid Price (Indicative) 31-Dec-2013	Price Change YoY	Discount to NAV Dec 2013
DWS Vietnam Fund	311.9	Multi asset class balanced fund	0.6405	26.58%	0.24	0.47	97.87%	-27%
VOF VinaCapital	604.7	Multi asset class balanced fund	3.01	16.67%	1.82	2.29	26.13%	-24%
PXP Vietnam	65.5	Primarily listed equity	6.15	38.37%	3.38	5.38	59.26%	-13%
PXP Vietnam Emerging Equity	32.3		5.40	30.58%	3.88	5.13	32.26%	-5%
VEIL Dragon Capital	477.0	Primarily listed equity, small allocation to OTC equity	3.07	28.99%	1.89	2.47	30.42%	-20%
Vietnam Equity Holdings	78.0		2.43	-7.27%	1.33	2.61	96.85%	7%
Vietnam Holding Ltd	110.5		1.74	32.12%	0.92	1.28	40.09%	-26%
VGF Dragon Capital	268.1	Primarily listed equity & OTC equity, small allocation to private equity	21.26	24.19%	13.55	17.75	31.00%	-17%
Market Vectors Vietnam	372.6	ETF	18.63	9.18%	18.85	18.76	-0.50%	1%
DB x-trackers Vietnam	295.6		24.50	13.45%	21.95	24.18	10.16%	-1%
AVERAGE				21.29%			42.35%	-12%
VNINDEX (USD)			0.02394	20.48%				
VHINDEX (USD)			0.00322	17.52%				

^ NAV quoted from Fund website/Bloomberg

** Mid price averaged between JCEF, LFCR and Bloomberg

** - The peer group analysis was performed using the information received from multiple sources; mainly from the member fund's published data. Quotes from LCFR (LCF Rothschild Emerging Markets Funds) and JCEF (Jefferies Funds) were used when public prices were not available. However, investors should note that the secondary markets for closed-end funds, such as this Fund, are not very transparent. There may be several market makers for each fund, but price quotes from these market makers may not be publicly recorded or available. Therefore, the analysis presented in this section is only indicative. Also, when analyzing the performance of a fund relative to its peers, one needs to be mindful of the different fund strategies across the funds. The DWS Vietnam Fund is a multi asset class fund where we look to find opportunities across the economic landscape of Vietnam rather than limiting ourselves solely to the listed equities. Also, this universe of peers may not be complete due to insufficient data of other funds.

¹² Source: quotes from OTC brokers including Jefferies, Rothschild and Numis

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

Performance Commentary

The largest listed and other asset classes of the Fund as of the end of December 2013 are listed below:

Top 5 Onshore Listed Holdings – 31 December 2013			
Rank # (Previous year rank #)	Security Name	Market Value (USD)	% of Fund
1(1)	Vinamilk (Vietnam Dairy Products)	36,481,416	11.71%
2(3)	Hoa Phat Group	12,549,273	4.02%
3(2)	FPT Corporation	10,922,058	3.50%
4(4)	PetroVietnam Drilling and Well	9,589,006	3.07%
5(-)	PetroVietnam Gas	6,903,769	2.21%
Total		76,445,522	24.51%

Top 5 Other Holdings				
Rank # (Previous year rank #)	Security Name	Asset Class	Market Value (USD)	% of Fund
1(2)	Greenfeed	Unlisted	39,321,806	12.61%
2(6)	DWS Vietnam Fund	OCIS ¹³	18,713,347	6.00%
3(7)	Vietnam Enterprise Investment Fund	OCIS ¹³	17,418,664	5.58%
4(9)	Vietnam Growth Fund	OCIS ¹³	14,084,750	4.52%
5(-)	Corbyns International	Unlisted	12,810,000	4.11%
Total			102,348,567	32.82%

1. Listed Equities (Onshore and Offshore) performance

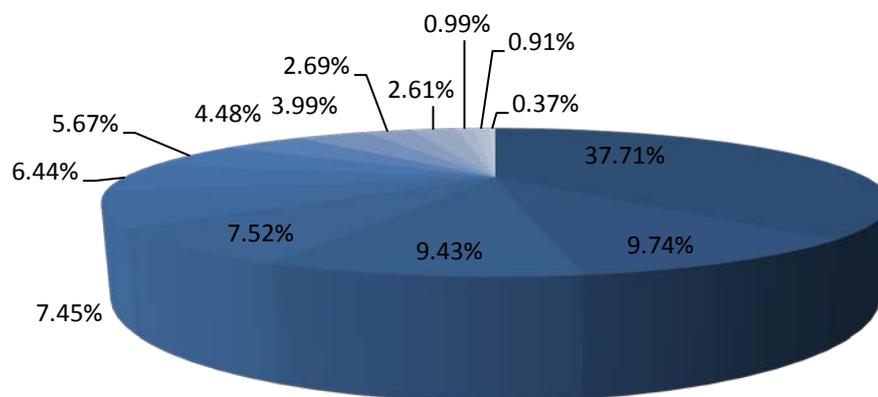
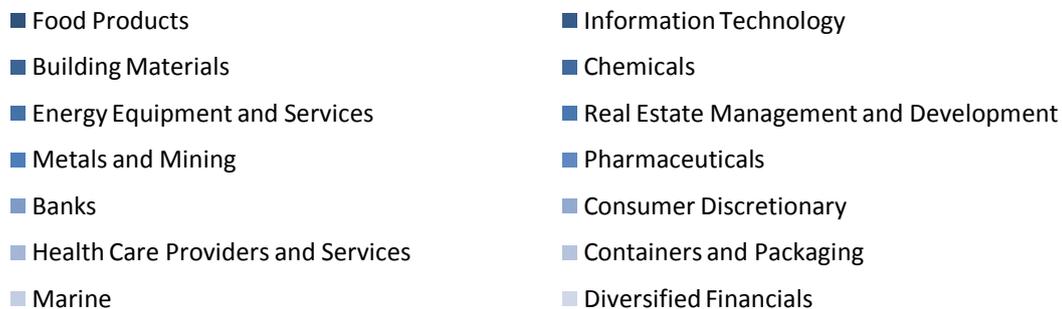
The Fund's exposure to listed equities is 43.59% at the end of 2013, representing the largest asset class of the Fund. The listed portfolio returned 39.09% in 2013, outperforming the VNIndex by 18.61 absolute percentage points (in USD terms). The key philosophy of the Fund Manager is to seek long-term gains for investors. Therefore the Fund is well-diversified across the key driving industries of the Vietnamese economy. A sector-wise breakdown of the Fund's listed portfolio as of 31 December 2013 can be found below:

¹³ Offshore Collective Investment Schemes

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

1. Listed Equities (Onshore and Offshore) performance (cont/d)



1.1. Vietnam Dairy Products JSC (Vinamilk) (VNM, +53.4%¹⁴)

Vinamilk is Vietnam's leading dairy producer. The company has a strong market position with an estimated market share of over 50%¹⁵. It has a well-known brand name for good quality products, among which liquid milk is the biggest segment in terms of both revenue and profits, followed by yoghurt, powdered milk and condensed milk. Approximately 14.4% of the Company's revenue is from export markets such as Iraq, Cambodia, Laos, and Thailand, which are growing strongly¹⁵.

For the nine months ended September 2013, VNM's revenue and net profit reached USD 1.1bn and USD 238.9mn, increasing 16.8% and 21.4% YoY ("year on year"), respectively, compared to the same period in 2012¹⁵. Gross margin gained 380 bps to 37.4% while net margin also enhanced to 22.2% from 21.4% in the same period last year¹⁵. The company expects to pay dividend in cash with a rate of 24% on par (USD 0.2 per share) for 2013 with two phases of interim dividend. In November 2013, VNM also announced its additional interim dividend at 8% on par (USD 0.04 per share) for 2013. During the year, the Mega factory in Binh Duong province has started its operation, which would add an additional capacity of 400 mn litres of liquid milk in the first phase and up to 800 mn litres in the second phase. VNM also acquired several government approvals to raise its stakes in the United States, New Zealand and Cambodia partners¹⁵. This would promise more growth and development in the overseas markets in the next two to three years.

¹⁴ Source: Bloomberg

¹⁵ Source: Company announcements or data

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

1. Listed Equities (Onshore and Offshore) performance (cont/d)

1.1. Vietnam Dairy Products JSC (VNM, +53.4%¹⁶) (cont/d)

With a strong balance sheet, competent management and good corporate governance, Vinamilk remains one of our top picks. In 2014, we expect the Company to continue to grow strongly thanks to 1) the increase in milk consumption in Vietnam toward global/regional average, 2) Vinamilk's good cost management system and 3) Vinamilk's continued expansion in capacity both locally and globally. At the end of 2013, VNM traded at 16.8x trailing P/E.

1.2. Hoa Phat Group (HPG, +95.7%¹⁷)

HPG is one of the leading private industrial production groups and the second largest steel manufacturer in Vietnam with an estimated market share of 14.5% as of September 2013 (2012: 13.7%)¹⁸. The company sells its products nationwide with steel products contributing to more than 80% of its total revenue¹⁸. HPG's strengths lay in 1) its integrated production system, which allows it to produce at a lower cost and sell at a competitive price, 2) and its position in the northern market, which is far away and safe from the threat by biggest competitors.

During the first nine months of 2013, HPG reached VND 1.52 trn (approximately USD 72 mn) in net profit which represented 127% of the target annual profit and 1.9 times higher than that of the same period in 2012¹⁷. The group revenue also reached VND 12.66 trn (approximately USD 600 mn) which accounts for 68% of the annual revenue target¹⁷. In October 2013, phase 2 of the Integrated Steel Complex in Hai Duong province was launched, which added another 500,000 tons of construction steel capacity to HPG. The company now has 1.15 million tons of construction steel capacity, 1.196 million tons of billet capacity and 700,000 tons of coke production per annum. HPG's real estate business also experienced strong growth in 2013 as 850 apartments out of total 999 units in the Mandarin Garden project had been sold and handed over to buyers¹⁷.

In 2013, HPG's share price increased by 101% and traded at 10.5x trailing P/E at the end of 2013¹⁶. For 2014 and the coming years, we believe that HPG will be able to maintain its leading position due to its capacity expansion, cost leadership and market share gains. Moreover, the government's policies in stimulating the real estate sector and expanding public infrastructure spending should also support both HPG's construction steel sales and real estate businesses.

1.3. FPT Corporation (FPT, +33.8%¹⁷)

FPT is one of the most successful listed companies in Vietnam. Over 25 years, the group has emerged as one of the Top 50 most effective businesses and maintained its reputation in Vietnam's Information and Communication Technology (ICT) sector with market-leading positions in its three main services: 1) Technology, 2) Telecom and 3) Distribution and Retailing.

In 2013, FPT's business was in the recovery process after its downturn in 2012. Revenue growth is expected to restore to 6-7% YoY, compared to negative 3% in 2012, though the overall trend of slow growth is persistent¹⁸. During the first nine months of 2013, its revenue and profit before tax increased 22.7% and 2.3% YoY, respectively¹⁸.

¹⁶ Source: Bloomberg

¹⁷ Source: Bloomberg

¹⁸ Source: Company announcements or data

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

1. Listed Equities (Onshore and Offshore) performance (cont/d)

1.3. FPT Corporation (FPT, +33.8%17) (cont/d)

This surge came mainly from its retail business's aggressive openings of new shops. However, profit before tax only experienced a slight growth because of the decline in the Online Services and the Education business. For 2013, profit after tax is estimated to increase by 6.9%, respectively, reaching 96% of the profit before tax target¹⁸.

Regarding individual segments, Telecom, Digital Content, Software Development, IT Services and Education Services continued to be FPT's core services segments. In contrast to what happened in 2012, Distribution and System Integration are expected to increase 5% in 2013 mainly thanks to the government's expansionary policies on public investment¹⁸.

In the near future, we expect FPT will concentrate on the current product portfolio and maintain moderate revenue growth. We believe that FPT's core segments will mature and grow at slower rates while the new business lines of Education and Retailing will accelerate the group's overall growth.

1.4. PetroVietnam Drilling and Well (PVD, +78.9%16)

PVD is a dominant player in Vietnam upstream market in drilling-related services, well services and mechanism. During the first nine months of 2013, drilling services was the leading business line which accounted for 58% of total revenue. Well services and other services accounted for 31% of total revenue while the rest was contributed by other commercial services¹⁷. Currently, PVD is owned 50% by PetroVietnam Group, 36% by foreign investors and the remaining by other investors. PVD's strengths lie in its strong management team, its focused strategy with no holdings in non-core businesses and its natural hedge of USD/VND exchange risk with most revenue and expenses in USD.

PVD has experienced a strong growth in 2013. For nine months ended September 2013, its revenue grew 25% YoY to VND 10.4 trn (approximately USD 493 mn) while its net income attributable to shareholders increased by 26.3% YoY to VND 1.4 bn (approximately USD 66.4 mn)¹⁷. The robust growth came from 1) its rigs' high utilization rates, 2) PVN's support in securing new drilling or drilling related services contracts, and 3) its continued replacement of rented rigs by its own rigs to enhance profit margin.

For 2014 and the coming years, we believe that PVD still possesses strong potential. Though drilling services will still be the main segment, drilling-related and commercial services will peak up due to the increased demand for oil and thus drilling services in the region as well as the expanding exploration plan of PVN. The stock traded at an attractive valuation of 8.7x trailing P/E at the end of 2013¹⁶.

¹⁶ Source: Bloomberg

¹⁷ Source: Bloomberg

¹⁸ Source: Company announcements or data

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

1. Listed Equities (Onshore and Offshore) performance (cont/d)

1.5. PetroVietnam Gas (GAS, +72.3%¹⁶)

PetroVietnam Gas JSC (GAS) is the largest listed company in Vietnam and an important subsidiary of state-owned enterprise PetroVietnam Group. It runs gas pipeline for PVN and acts as the gas supplier to both retailers and industrial customers such as electricity or fertilizer producers. Its key products include dry gas, liquefied petroleum gas, liquefied natural gas, compressed natural gas and condensate. It also provides end-to-end gas services which include gas gathering, importation, transportation, processing and distribution. GAS has a monopolistic position in the dry gas market and 70% market share in the LPG segment in Vietnam¹⁹.

GAS estimated its 2013 net profit at VND 12 trn which exceeds target by 57% and represents 21% annual growth compared to 2012¹⁸. This impressive earning result came from three main reasons: 1) Increase in dry gas volume by around 7% (9.75 bn m3), 2) Increase in average selling price (ASP) in dry gas segment and 3) Its reversal of the research and development fund of around VND 1,146 bn¹⁸.

At the end of 2013, GAS was trading at VND 66,500 or 9.6x forward P/E which is lower than other comparable companies in the similar position²⁰. In the next 2-3 years, we expect GAS to maintain its robust growth thanks to 1) Its privileged access to PetroVietnam's domestic oil field, 2) its large and growing customer base, including both retail and industrial buyers and 3) its three major projects (Nam Con Son 2, Dai Hung and Thai Binh) coming on-line.

Outlook for Listed Equities

We are confident that the Vietnamese stock market is heading towards a third year of positive performance. Vietnam's economy has clearly bottomed out in 2013 and is showing early signs of strong recovery, as we mentioned in our analysis above. The key drivers for the market's performance in 2014, in our opinion, are the following:

- Increased public infrastructure spending following the government's plans to increase to ratio of total investment to GDP from 30% in 2013 to 32% in 2014-2015. The planned package for public investment in infrastructure has been increased from VND 100 trillion to VND 170 trillion (USD 8.1 billion) over 3 years²¹.
- Expansion of foreign ownership limit, expected to be approved by the Prime Minister in Q1-2014. Foreign investors may be allowed to increase voting share holdings to a maximum of 60% compared to 49% currently in some listed companies. This driver is particularly interesting for blue-chips, foreign limited stocks such as Vinamilk, Hau Giang Pharmaceuticals, FPT, REE, etc.
- Agreement and signing of the Trans-Pacific Partnership which is likely to drive a new wave of investments from Korean, Hong Kong and Chinese companies into Vietnam, especially in the textile sector. Even without this signing, we continue to see Foreign Direct Investments into the manufacturing sector, especially electronics, thanks to Vietnam's competitive advantages of cheap labour costs and improving skills.

¹⁹ Source: Company announcements or data

²⁰ Source: Bloomberg

²¹ Source: Tuoi Tre News

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

1. Listed Equities (Onshore and Offshore) performance (cont/d)

Outlook for Listed Equities (cont/d)

- Equitisation of good State-Owned Enterprises, which is again the government's focus with expected Initial Public Offering for companies in sectors such as oil & gas, electricity generation, and mining. The restructuring plan of the State Capital Investment Corporation (SCIC) gives the list of over 350 companies that the government will divest over the next two years.

Given these drivers, we continue to focus on the following sectors which will perform or continue to perform well over the next year or two:

- Consumer Products companies as the Fund was still a large shareholder of VNM and FPT at the end of 2013;
- Selective Building Materials and Property;
- Selective Oil & Gas companies

2. Fixed Income

In 2013, the yield on the benchmark 3-year Government bond continued to decrease from 9.25% to 7.50% at the end of December 2013²², driven mainly by considerably lower inflation rate which has given room for the 200 bps interest rate cuts. After a more or less steady decline in 2012, the benchmark bond yield continued to fall further to hit a bottom of 6.3% in June 2013 before recovering back to end the year at 7.25%.

Outlook for Fixed Income

Although it looks as though the bond yield recovered from its bottom in June 2013, lower than expected inflation may mean further decline as policy rates might be relaxing further to help stimulate the economy. The Fund will continue to hold a small percentage of a government bonds in 2014 given the relatively attractive yield.

3. Unlisted Equities Investments

As of 31 December 2013, unlisted investments constituted 35.18% of the Fund's Net Asset Value. In February 2013, the Fund invested USD 12.2 million via a convertible loan in Corbyns International Limited ("Corbyns"), which owns Vietnam Industrial Investments ("VII"). VII is a leading steel manufacturer in Vietnam.

In April 2013, the Fund completed the exit of its entire 11.9% stake in Prime Group ("Prime"), the largest ceramic tile manufacturer in Vietnam, via a sale to SCG Building Material Co., Ltd.

In August 2013, the Fund invested USD 1.2 million in NBB Investment Corporation's rights issue to subscribe to additional ordinary listed shares. The Fund had also invested in convertible preference shares of NBB Investment Corporation in December 2010.

In October and November 2013, the Fund received the first instalment of USD 1.48 million from NBB Investment Corporation for financial underperformance per the terms of the Agreement entered into with NBB Investment Corporation in December 2010. The Fund is due a total of USD 2.96 million per the terms of the Agreement, of which USD 1.48 million was outstanding at year end 31 December 2013. In December 2013, the Fund's preference shares were converted into ordinary listed shares.

²² Source: Bloomberg

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

3. Unlisted Equities Investments cont/d

The unlisted equities portfolio returned 32.13% in 2013, positively impacted by the revaluation of private equity ("PE") investments by the Fund's PE valuer – Global Valuation Group ("GVG") of Deutsche Bank AG Singapore Branch - on a quarterly basis. Returns were influenced by company-specific factors as well as macroeconomic factors as explained in the following pages.

3.1. Prime Group JSC

In April 2013, the Fund completed the exit of its entire stake in Prime via a sale to SCG Building Material Co., Ltd. The sale was initiated and the sale price was agreed in 2012. Prior to the sale agreement, the Fund valued the investment at USD 17.1m. This was revalued to USD 31.5m in December 2012 based on the exit valuation per the agreement, representing a pick-up of 84%. The IRR achieved is 11% or a 1.6x cash multiple, in USD terms.

3.2. Greenfeed Vietnam Corporation

In May 2010, the Fund made a USD 9.5 million investment in GreenFeed Vietnam Corporation ("GFVN"), a leading producer of animal feed. The investment was made via USD 4.0m in secondary shares and USD 5.5 million in a convertible instrument, for a fully diluted 17.2% stake in the company, following the implementation of an employee stock ownership plan ("ESOP") in 2013.

GFVN is the 2nd largest domestic player competing against large foreign companies like Charoen Pokphand of Thailand and Cargill of US. The company has 5 feed mills, 9 depots and has an extensive network of more than 1,000 distributors to cover the whole country. At the moment, GFVN is among the top five players (including foreign companies) who collectively account for approximately 60% of total market share. Given the highly fragmented nature of the market, GFVN is gearing up to capture a larger share in the next few years. The company is looking to expand capacity further given that their existing factories are operating at close to 100% utilization.

For 2013, net sales increased 16% YoY to VND 9,298 billion due to price and volume growth. Net income decreased 6% YoY to VND 320 billion, due to an increase in raw material costs in 1Q 2013. Raw material costs moderated from 2Q 2013 onwards which led to margin expansion. As a result, net income increased significantly from 2Q 2013 onwards.

This position is valued by GVG on a quarterly basis as there is no existing trading market for the instruments. As of 31 December 2013, the valuation of the Fund's position stood at USD 39.32m, up 314% since investment.

3.3. Corbyns International Limited

In February 2013, the Fund invested USD 12.2 million via a convertible loan in Corbyns International Limited ("Corbyns"), which owns Vietnam Industrial Investments ("VII"). Listed on the ASX, VII is a leading steel manufacturer, primarily manufacturing wire rods and rebars used in construction and infrastructure projects. The Fund indirectly owns 24.4% of Corbyns.

This investment is a special situation opportunity which resulted in favourable terms for the Fund. Corbyns is amongst the top 4 steel manufacturers in Vietnam which control about 50% of the market. VII's key brands are well recognized in the marketplace and they remain the leading brand in their own product segments. VII maintains a robust distribution platform that includes 30 tier I distributors and 100 tier II distributors across all regions of Vietnam; they are, however, particularly strong in Northern Vietnam.

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

3. Unlisted Equities Investments cont/d

3.3 Corbyns International Limited cont/d

There is currently no trading market for the convertible loan, this position is valued by GVG on a quarterly basis. As of 31 December 2013, the Fund's position was valued at USD 12.81m.

3.4. Anova Corporation

In May 2011, the Fund made a USD 8.7 million investment in Anova Corporation ("Anova") via 3-year convertible bonds. In June 2012, the Fund invested USD 1.7m, exercising its pre-emptive right to subscribe to ordinary shares via a rights issue for Anova to acquire an animal feed company. The synergies available between feed, feed additives and animal health products will create opportunities over the next few years for Anova to gain market share and penetrate new markets. The Fund's total fully diluted stake in Anova is 20.5%.

Anova is the leading manufacturer of veterinary health products in Vietnam as well as the leading importer and distributor of raw materials for the animal health and feed sectors. Anova maintains a market share of 17% in the manufacturing and sale of finished veterinary products with the next closest competitor, Vemedin, at 12% of the total market. For raw materials importation and distribution, the company maintains a market share of 29% of the total market, almost double the nearest competitor Ruby, which has a 15% share of the total market.

For 2013, net sales increased 39% YoY to VND 2,203 billion and net income increased 12% YoY to VND 93 billion.

There is currently no trading market for the convertible bonds or ordinary shares, this position is valued by GVG on a quarterly basis. As of 31 December 2013, the Fund's position was valued at USD 11.66m, up 12% since investment.

3.5. VTC Online JSC

In July 2012, the Fund made a USD 10.0 million investment via subscription of ordinary shares, in VTC Online, a leading online games publisher and social media company in Vietnam. The Fund owns 19.5% of VTC Online.

For 2013, net sales decreased 16% YoY to VND 1,493 billion but net income increased 28% YoY to VND 21 billion, on the back of cost rationalisation and one-off gain from the sale of a games database in quarter 3, 2013. The company has re-focused its resources to the mobile space namely in three areas; i) games, ii) education, and iii) ecosystem platform.

There is currently no trading market for the ordinary shares, this position is valued by GVG on a quarterly basis. As of 31 December 2013, the Fund's position was valued at USD 10.64m.

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

3. Unlisted Equities Investments cont/d

3.6. An Giang Plant Protection & Service JSC

In September 2009, the Fund closed an USD 8m investment in An Giang Plant Protection JSC (“AGPPS”), the market leader in the distribution and manufacture of crop protection chemicals in Vietnam. Based in An Giang province, the heart of the Mekong Delta’s rice growing regions, AGPPS is one of the only two product distributors in Vietnam partnering with the well-known Swiss firm, Syngenta. With an extensive distribution network, a valuable strategic partnership with Syngenta and strong financial management, AGPPS remains well-placed to continue its market dominance and evolve as a provider of complete crop solutions.

AGPPS also has the advantage of having close relations with the farming community, especially in Mekong Delta. The company provides training and technical support to farmers regularly and is a well-known brand in the agricultural sector. Leveraging on this, the company is growing its rice processing business which integrates well with the distribution business. The Fund owns 6.3% of AGPPS via ordinary shares.

Although not listed yet, shares in AGPPS are traded on the Vietnam OTC market. Shares are re-priced monthly by the Fund’s administrator, by taking an average of quoted prices from three independent brokerage firms in Vietnam. As of 31 December 2013, the shares were valued at USD 10.32m, up 29% since investment.

3.7. Swindon Ltd. (Hoan My Hospital JSC)

In September 2009, the Fund closed a USD 10 million convertible bond investment in Hoan My Corporation JSC (“Hoan My”), a leading private healthcare provider in Vietnam.

In December 2011, the Fund divested an equivalent of 17.5% in Hoan My to Fortis Healthcare Global Pte Ltd (“Fortis”), reducing the Fund’s stake to 4.9%. Prior to the sale, the Fund valued the investment at USD 11.4m (for 22.4% of Hoan My), so the exit valuation of USD 98.5m represents a pick-up of 94%.

The remaining 4.9% stake held by the Fund in Hoan My Hospital JSC is subject to put and call options. As of 31 December 2013, the valuation of this position stood at USD 5.78m. The overall IRR including the sale and the existing unrealized position is 39% or a 2.4x cash multiple, in USD terms.

3.8. Vicostone JSC

In May 2008, the Fund invested USD 8.3m in Vinaconex Advanced Compound Stone (“Vicostone”) via USD 2.1m of shares and USD 6.2m of convertible bonds. In April 2011, the Fund invested USD 2.0m to subscribe to shares via the rights issue. In 2012, the Fund invested USD 0.6m to purchase additional shares from the open market. The convertible bonds have been converted and the Fund owns 16.8% of Vicostone via listed ordinary shares.

Listed on the Hanoi stock exchange, Vicostone is one of the few large quartz compound stone manufacturers in Asia. Vicostone’s products are used on floors and table tops. Vicostone has access to advanced technology patented by Breton Spa, Italy – a specialist in manufacturing and processing of compound stone. Approximately 60% to 70% of the company’s total revenue is derived from exports to developed countries such as the US, EU and Australia.

For 2013, net sales increased 36% YoY to VND 1,311 billion due to increased export sales volume. Net income increased 31% YoY to VND 72 billion. This was due to a decrease in gross margin YoY caused by an increase in raw material, energy and labour costs.

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

3. Unlisted Equities Investments cont/d

3.8. Vicostone JSC cont/d

As of 31 December 2013, the Fund's position in the company was valued at USD 5.70million, based on the stock price. Vicostone remains a leader in its industry as one of the few large quartz compound stone manufacturers in Asia and we believe has the potential for a trade sale exit to strategic buyers.

3.9. NBB Investment Corporation JSC

In December 2010, the Fund invested USD 10.7 million in redeemable convertible preference shares ("RCPS") issued in a private placement by NBB Investment Corporation JSC ("NBB"). In August 2013, the Fund invested USD 1.2 million in the company's rights issue to subscribe to additional ordinary listed shares. In October and November 2013, the Fund received the 1st instalment of USD 1.48 million from the company as compensation for financial underperformance. In December 2013, the Fund's RCPS were converted into ordinary listed shares. The Fund's fully diluted stake in NBB is 14.5% and is entirely held in listed shares.

Listed on the Ho Chi Minh City Stock Exchange ("HOSE"), NBB is an investment holding company focused on developing Grade C residential property that is typically priced at USD 700-1,000/sqm. NBB is a play on fundamental trends such as rising urbanization and a growing middle class that are stimulating demand for affordable housing in Vietnam, particularly in Ho Chi Minh City. The company's large, low-cost land bank and a pipeline of projects going out to 2015 and beyond, make it well-positioned to become a direct beneficiary of these trends.

For 2013, net sales were VND 204 billion and net income was VND 25 billion. For quarter 4, 2013, net sales decreased 92% YoY and net income decreased 94% YoY as the quarter 4, 2012 net sales and net income increased significantly retroactively due to a new accounting policy which recognized revenue when the apartments or real estate projects were transferred.

As of 31 December 2013, the investment was valued at USD 5.38m based on the stock price of USD 3.90 million and compensation receivable of USD 1.48 million.

3.10. Saigon Beer Alcohol and Beverage JSC

In July 2008, the Fund invested USD 2.5m in Sabeco, the largest domestic brewer in Vietnam with approximately 47% share of the beer market. This is 2.6 times larger than its closest competitor. Sabeco has one of the best known brands in Vietnam and is in a leading position to capitalize on the expected growth in this market. The Fund owns 0.16% of Sabeco via ordinary shares.

For 9M 2013, net sales increased 12% YoY to VND 16,754 billion due to volume growth and net income increased 10% YoY to VND 2,312 billion.

Sabeco shares are traded on the OTC market. Sabeco shares are re-priced monthly by the Fund's administrator, by taking an average of quoted prices from three independent brokerage firms in Vietnam. As of 31 December 2013, the Fund's position in the company was valued at USD 3.24m, up 30% from investment cost.

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

3. Unlisted Equities Investments cont/d

3.11. Thu Duc Housing Development Corporation

In November 2010, the Fund purchased a convertible bond issued by Thu Duc Housing Development Corporation ("Thu Duc"), a property development company in Vietnam, for USD 2.6 million.

TDH offers products in the residential apartment segment. During the first nine months of 2013, TDH's revenue improved and increased 25.4% YoY mainly thanks to the new agricultural product trading segment (including imports and exports). Meanwhile, activities in the property sector were slowed despite the company's best efforts in launching a promotion campaign offering low interest rate loans and a flexible payment schedule. Most of TDH's current active products have a bigger than average unit size which is a market segment where demand is particularly weak. Operating profit and net profit turned positive after last year's loss.

TDH is listed on the Ho Chi Minh Stock Exchange and the convertible bonds came to maturity at the end of November 2013. The Fund opted for not converting the bonds into equity but for a principal repayment, which is settled in January 2014. As of 31 December 2013, the convertible bonds were valued at their principal amount (approximately USD 2.4 million).

3.12. An Phat Plastics and Green Environment JSC

At the end of 2007, the Fund made a USD 2 million equity investment in An Phat Plastics and Green Environment JSC ("An Phat"). In April 2009, the Fund made a follow-on investment of USD 2.8 million via a convertible bond to fund the company's expansion plans.

An Phat is the largest plastic recycler in North Vietnam. The recycled plastic is manufactured into bio-degradable plastic bags and re-usable plastic bags for both the domestic and international markets.

For 2013, An Phat's net sales increased 15% YoY to VND 1,158 billion due to price and volume growth, but net income was flat YoY at VND 55 billion. This was due to a decrease in gross margin YoY caused by an increase in material, electricity and labor costs.

An Phat was listed on the Hanoi stock exchange in 2010, the Fund exited its equity portion by selling the shares in the open market. In December 2012, the convertible bond of An Phat was partially redeemed and the balance was favourably restructured into ordinary listed shares of An Phat. The Fund currently owns 13.3% in An Phat.

As of 31 December 2013, the Fund's position was valued at USD 2.20m based on the stock price. The overall IRR including the sale of the equity portion, partial redemption of the convertible bond and existing unrealized position is 10%, or a 1.4x cash multiple, in USD terms.

3.13. Lam Son Sugar

In October 2012, the Fund purchased a number of convertible bonds issued by Lam Son Sugar (LSS), a sugar producer in Vietnam, for USD 266,187. The bonds, issued to existing shareholders, pay 12% annual coupon and will be convertible into ordinary shares in October 2014. The conversion price was set at VND 10,000 compared to VND 17,100 at the time of the bonds' issuance, which represented an attractive investment.

2013 continued to be another difficult year for LSS due to the adverse movement of the global sugar price on the back of supply surplus in both global and domestic markets. Despite strong improvement in volume sold compared to 2012 thanks to the second factory upgrade, gross margin declined as LSS profitability highly depends on sugar price and as cost of sales increased. Heavier financial expenses also impacted profitability this year.

LSS is listed on the Ho Chi Minh Stock Exchange, but the convertible bonds are not traded on any exchange. As of 31 December 2013, the convertible bonds were valued at USD 218,382.

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

3. Unlisted Equities Investments cont/d

Outlook for Unlisted Equities

In the next 12-24 months, we anticipate that some of the investee companies could seek to IPO, list on one of Vietnam's two stock exchanges or be acquired by a corporate or strategic investor. Such events will give the Fund Manager an opportunity to consider exiting the investments following a holding period of about 3 years.

4. Offshore Collective Investment Schemes (OCIS)

As of 31 December 2013, the OCIS portfolio constituted 18.31% of the Fund's Net Asset Value, compared to 13.22% a year ago, partly thanks to the strong performance of the funds within the portfolio during the year. There were six funds within the portfolio:

- DWS Vietnam Fund Limited.
- PXP Vietnam Fund Limited.
- PXP Vietnam Emerging Equity Fund.
- Vietnam Enterprise Investments Limited.
- Vietnam Growth Fund Limited.
- Vietnam Blue-Chips Investment Fund.

The OCIS portfolio earned a strong return of 51.59% in 2013, outperforming the VNIndex return of 20.48% in USD terms. This return is calculated using price collected from a number of OTC brokers including Jefferies, Rothschild and Numis. In terms of NAV, all the five funds above have outperformed the broad market index, with NAV changes ranged from 24% to 38%. The average discount these funds are trading at is 16% at the end of December 2013.

Going forward, the Investment Manager will continue to maintain an allocation to closed-end funds given the targeted exposure to specific sectors that some of these funds provide and their attractive discount to NAV.

5. Share Buy-back

There was no share repurchase during the twelve month period ended 31 December 2013.

Principal Risks and uncertainties in 2014

We think that investment risks in Vietnam have been reduced significantly over the past year as the country has come into a stabilisation phase. The risks we were previously paying attention to, notably threat to confidence in the Vietnamese banking sector, has weakened as the Vietnam Asset Management Company has come into operations to tackle the bad debt problems and banks have already booked heavy provisions against Non-Performing Loans. However, for 2014, we still see a number of risks to Vietnam's economy and market coming from both within and outside the country.

- **Money outflows from emerging markets** – As a result of the Fed's intention to taper off their Quantitative Easing program, money outflows from emerging markets were strong in 2013 and are expected to continue if the U.S. show positive economic data that would trigger the QE program tapering off. Vietnam seems to be less affected than other markets such as Thailand, Indonesia and Philippines since most of the foreign investments in Vietnam are in the forms of country-dedicated, closed-end funds.
- **Non-Performing Loans reclassification** – Circular 02 on the reclassification of Non-Performing Loans is expected to come into effect at the end of Q2-2014 and may lead to a much higher NPL ratio among commercial banks. Banks continue to gradually book provisions against these loans and participate in the VAMC program to clean up their balance sheet and recover their credit growth.

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the year ended 31 December 2013 cont/d

Principal Risks and uncertainties in 2014 cont/d

- **Side effects of expansionary macroeconomic policies** – The increase in budget deficit to finance infrastructure spending could, if not well controlled, put a pressure on the government's fiscal position as well as Vietnam's inflationary control.

General Outlook and Fund Strategy

We are confident that the Vietnamese stock market is heading towards a third year of positive performance. Vietnam's economy has clearly bottomed out in 2013 and is showing early signs of strong recovery, as we mentioned in our analysis above. The key drivers for the market's performance in 2014, in our opinion, are the following:

- **Increased public infrastructure spending** following the government's plans to increase to ratio of total investment to Gross Domestic Product (GDP) from 30% in 2013 to 32% in 2014-2015. The planned package for public investment in infrastructure has been increased from VND 100 trillion to VND 170 trillion (USD 8.1 billion) over 3 years.
- **Expansion of foreign ownership limit**, expected to be approved by the Prime Minister in Q1-2014. Foreign investors may be allowed to increase voting share holdings to a maximum of 60% compared to 49% currently in some listed companies. This driver is particularly interesting for blue-chips, foreign limited stocks such as Vietnam Dairy Products JSC, Hau Giang Pharmaceuticals JSC, FPT Corporation, Refrigeration Electrical Engineering etc.
- **Agreement and signing of the Trans-Pacific Partnership** which is likely to drive a new wave of investments from Korean, Hong Kong and Chinese companies into Vietnam, especially in the textile sector. Even without this signing, we continue to see Foreign Direct Investments into the manufacturing sector, especially electronics, thanks to Vietnam's competitive advantages of cheap labour costs and improving skills.
- **Accelerated equitisation of good State-Owned Enterprises**, which is again the government's focus with expected Initial Public Offering for companies in sectors such as oil & gas, electricity generation, and mining. The restructuring plan of the State Capital Investment Corporation (SCIC) gives the list of over 350 companies that the government will divest over the next two years.

The Fund will continue to maintain its target allocation to the four main asset classes that are Listed Equities, Unlisted Equities and Offshore Collective Investment Schemes and Fixed Income. We continue to favour high growth potential sectors such as Consumer Products, Healthcare, Oil & Gas and selective Building Materials. We will also continue to watch and consider exit opportunities for our unlisted portfolio which are likely to present themselves as Vietnam continues to attract strong M&A interest from long term corporate and strategic investors.

Deutsche Asset Management (Asia) Ltd.,
February 2014

DWS VIETNAM FUND LIMITED

Consolidated Portfolio of Investments as at 31 December 2013

Nominal	Security	Coupon %	Maturity	Value US\$	Fund %
Collective Investment Schemes 14.03% (Dec 2012: 12.05%)					
Cayman Islands 14.03% (Dec 2012: 9.78%)					
1,000,000	PXP Vietnam Fund Limited*†			5,250,000	1.84
320,000	PXP Vietnam Emerging Equity Fund†			1,628,000	0.57
7,100,000	Vietnam Enterprise Investments Limited*			17,418,664	6.10
795,000	Vietnam Growth Fund Limited*			14,084,750	4.93
4,272,850	Vietnam Blue-Chips Investment Fund**			1,693,950	0.59
				40,075,364	14.03
United States Nil (Dec 2012: 1.02%)				-	-
Vietnam Nil (Dec 2012: 1.25%)				-	-
Total Collective Investment Schemes				40,075,364	14.03
Common Stock 69.34% (Dec 2012: 74.55%)					
Vietnam 69.34% (Dec 2012: 74.55%)					
3,900,000	An Giang Plant Protection and Service JSC**			10,322,351	3.61
2,045,454	Anova Corp**			4,478,764	1.57
2,624,549	An Phat Plastics and Green Environment JSC			2,202,158	0.77
361,030	Asia Commercial Bank			266,986	0.09
1,087,000	Bao Minh Insurance Corp			618,346	0.22
20,959	Ben Tre Aquaproduct Import and Export			40,239	0.02
25,000	Bibica Corporation			34,842	0.01
1,955,562	Binh Chanh Construction			1,779,891	0.62
786,036	Can Don Hydro Power JSC			756,413	0.27
538,988	Da Nang Rubber JSC			996,470	0.35
6,859,784	Development Investment JSC			4,032,298	1.41
620,000	Dinh Vu Port Investment and Development			1,249,111	0.44
968,210	Dong Phu Rubber JSC			2,152,598	0.75
288,336	Dry Cell and Storage Battery JSC			265,168	0.09
5,160,379	FPT Corporation			11,521,870	4.03
2,500,000	Green Feed Vietnam **			18,251,244	6.39
503,222	Hau Giang Pharmaceutical JSC			2,719,474	0.95
453,987	Ho Chi Minh City Securities			527,266	0.19
6,751,630	Hoa Phat Group JSC			13,154,396	4.60
915,260	Hoa Sen Group JSC			1,791,905	0.63
214,478	Imexpharm Pharmaceutical JSC			379,238	0.13
2,617,864	JS Comm Bank Foreign Trade			3,325,848	1.16
1,520,900	Kinhbac City Development			706,557	0.25
1,433,254	Kinh Do Corporation			3,465,084	1.21
1,766,967	Lam Son Sugar JSC			971,643	0.34
171,720	Lam Thao Fertilizers and Chemicals			305,262	0.11
70,000	Masan Group Corp			273,762	0.10
5,943,661	Military Commercial JSC			3,578,312	1.25
256,009	My Chau Printing and Packaging			199,030	0.07
150,000	Nam Long Investment Corporation			122,304	0.04
400,000	National Seed JSC			1,460,062	0.51

DWS VIETNAM FUND LIMITED

Consolidated Portfolio of Investments as at 31 December 2013 cont/d

Nominal	Security	Coupon %	Maturity	Value US\$	Fund %
Common Stock 69.34% (Dec 2012: 74.55%) Cont/d					
Vietnam 69.34% (Dec 2012: 74.55%) Cont/d					
5,200,000	NBB Investment Corporation JSC			3,894,762	1.36
3,580,287	PetroVietnam Drilling and Well Services			10,353,046	3.62
2,190,000	Petro Vietnam Gas JSC			6,903,769	2.42
456,860	Petro Vietnam General Services			450,471	0.16
2,033,660	Phuoc Hoa Rubber JSC			2,911,426	1.02
1,369,060	Refrigeration Electrical Engineering			1,921,032	0.67
150,000	Sacombank Securities JSC**			-	-
1,050,000	Saigon Beer Alcohol and Beverage JSC**			3,243,660	1.14
788,220	Saigon Securities			672,575	0.24
1,031,285	Saigon Thuong Tin			840,868	0.29
35,010	Savimex Corp			22,405	0.01
330,559	SMC Investment Trading			195,875	0.07
50,000	Songda Urban & Industrial Zone			43,849	0.02
868,250	Southern Rubber Industry JSC			1,481,725	0.52
281,550	Southern Seed Corporation			613,951	0.22
913,332	SSgA Construction Real Estate**			621,516	0.22
2,187	Swindon Limited** ***			5,782,596	2.02
1,052,870	Tay Ninh Rubber Co			2,096,257	0.73
232,500	Tien Phong Plastic JSC			660,192	0.23
200,000	Truong Thanh Furniture Corp			59,730	0.02
23,697	Vidipha Central Pharmaceutical**			11,233	0.00
6,284,962	Vietnam Dairy Products JSC			40,221,374	14.08
1,224,160	Vietnam Container Shipping			3,075,633	1.08
2,480,000	Vietnam Joint Stock Commercial Bank			1,904,527	0.67
118,500	Vietnam National Reinsurance Corp			128,078	0.04
8,901,518	Vicostone JSC			5,696,634	1.99
1,033,299	Vinh Hoan Corp			1,151,103	0.40
1,163,900	Vndirect Securities Corp			573,812	0.20
468,238	VTC Online JSC**			10,635,917	3.72
Total Common Stock				198,116,908	69.34
Long Term Bonds 11.62% (Dec 2012: 9.23%)					
Vietnam 10.77% (Dec 2012: 9.23%)					
180,000,000,000	Anova Corp**NR•	6.00%	23/05/2014	7,184,540	2.52
105,000,000,000	Green Feed Vietnam Corp**NR•	8.00%	03/05/2015	21,070,561	7.37
55,500	Lam Son Sugar JSC NR•	12.00%	10/10/2014	218,382	0.08
2,391,305	Vietnam (Socialist Republic of)** BB	1.50%	12/03/2016	2,291,468	0.80
Total Long Term Bonds				30,764,951	10.77

* Closed end Funds

** Unlisted Securities (all other securities not highlighted are listed)

*** Related party

NR – not rated

JSC is the abbreviation for Joint Stock Company.

• Convertible bonds

† Securities issued / managed by related parties – Note 16.

DWS VIETNAM FUND LIMITED

Consolidated Portfolio of Investments as at 31 December 2013 cont/d

Nominal	Security	Coupon %	Maturity	Value US\$	Fund %
Warrants and Rights Nil (Dec 2012: 0.02%)					
Vietnam Nil (Dec 2012: 0.02%)					
Total Warrants and Rights				-	-
Convertible Loans 4.48% (Dec 2012: Nil)					
Vietnam 4.48% (Dec 2012: Nil)					
12,200,000	Corbyns International Limited	10.00%	30/06/2016	12,810,000	4.48
Total Convertible Loans				12,810,000	4.48
Portfolio of Investments				281,767,223	98.62
Cash and bank balances held with State Street Bank & Trust Company				8,745,519	3.06
Other Net Current Liabilities				(4,803,348)	(1.68)
Net Asset Value per IFRS financial statements				285,709,394	100.00

The portfolio of investments forms an integral part of these audited financial statements.

DWS VIETNAM FUND LIMITED

Consolidated Statement of Comprehensive Income for the year ended 31 December 2013

	Notes	31/12/2013	31/12/2012
		US\$	US\$
Income			
Investment income	4	11,280,692	8,280,932
Net gain on investments at fair value through profit or loss	3	67,037,288	59,132,966
Other gains	5	2,787,700	742,953
Total revenue		81,105,680	68,156,851
Operating expenses	6	(22,976,728)	(18,013,571)
Profit for the year before taxation		58,128,952	50,143,280
Taxation			
Taxation charge	15	(7,497,540)	(45,292)
Total comprehensive income for the year		50,631,412	50,097,988
Earnings per Share			US\$
Basic	13	11.33c	11.09c
Diluted	13	11.33c	11.09c
Weighted average shares outstanding			Shares
Basic	13	446,831,392	451,540,146
Diluted	13	446,831,392	451,540,146

On behalf of the Board of Directors

Director

Director

Date: 24 April 2014

The accompanying notes form an integral part of these audited financial statements.

DWS VIETNAM FUND LIMITED

Consolidated Statement of Financial Position as at 31 December 2013

		31/12/2013 US\$	31/12/2012 US\$
Assets			
Cash and cash equivalents	9	8,745,519	13,789,452
Accounts receivable	8	9,153,517	1,100,956
Financial instruments at fair value through profit or loss:	17		
Investments designated at fair value		281,767,223	225,274,268
Investments held for trading		-	39,584
Total Assets		299,666,259	240,204,260
Liabilities			
Accounts payable	10	(6,489,134)	(5,126,278)
Deferred taxation	15	(7,467,731)	-
Total Liabilities		(13,956,865)	(5,126,278)
Net Assets		285,709,394	235,077,982
Shareholders' equity			
Share capital		4,869,314	4,869,314
Share premium	12	471,302,202	471,302,202
Retained losses		(190,462,122)	(241,093,534)
Total shareholders' equity		285,709,394	235,077,982

The accompanying notes form an integral part of these audited financial statements.

On behalf of the Board of Directors

Director

Director

Date: 24 April 2014

DWS VIETNAM FUND LIMITED

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2013

2013	Share Capital US\$	Share Premium US\$	Retained losses US\$	Total Equity US\$
Balance at 1 January 2013	4,869,314	471,302,202	(241,093,534)	235,077,982
Repurchase of Share Capital*	-	-	-	-
Total comprehensive income	-	-	50,631,412	50,631,412
Balance at 31 December 2013	4,869,314	471,302,202	(190,462,122)	285,709,394
2012	Share Capital US\$	Share Premium US\$	Retained losses US\$	Total Equity US\$
Balance at 1 January 2012	4,869,314	473,897,228	(291,191,522)	187,575,020
Repurchase of Share Capital*	-	(2,595,026)	-	(2,595,026)
Total comprehensive income	-	-	50,097,988	50,097,988
Balance at 31 December 2012	4,869,314	471,302,202	(241,093,534)	235,077,982

* As noted on page 37, the Net Asset Value per the Financial Statements has been reduced by the market value of 40,100,000 (2012: 40,100,000) DWS Vietnam Fund Ltd. shares purchased to date by Siglap Ltd., Beira Ltd. and Epsom Ltd. three wholly owned subsidiary companies.

The accompanying notes form an integral part of these audited financial statements.

DWS VIETNAM FUND LIMITED

Consolidated Statement of Cash Flows for the Year Ended 31 December 2013

	31/12/2013	31/12/2012
	US\$	US\$
Cash flows from operating activities		
Profit for the year after taxation	50,631,412	50,097,988
<i>Adjustment for non-cash items:</i>		
Increase in investments at fair value through profit or loss	(56,453,371)	(57,984,026)
<i>Changes in operating assets and liabilities</i>		
Increase in accounts receivable	(8,052,561)	(398,869)
Increase in payables and deferred tax	8,830,587	4,272,228
	(5,043,933)	(4,012,679)
Net cash used in operating activities	(5,043,933)	(4,012,679)
Cash flows from financing activities		
Repurchase of Share Capital	-	(2,595,026)
	(5,043,933)	(6,607,705)
Net decrease in cash and cash equivalents	(5,043,933)	(6,607,705)
Cash and cash equivalents at the beginning of the year	13,789,452	20,397,157
	8,745,519	13,789,452
Cash and cash equivalents at the end of the year	8,745,519	13,789,452
Cash flows from operating activities include:		
Interest received	1,222,437	1,914,150
Dividends received	8,830,741	6,685,532

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1 Incorporation and principal activity

The DWS Vietnam Fund (the “Company”) is a closed ended exempted company with limited liability formed under the laws of the Cayman Islands on 13 September 2006.

The Company’s investment objective is to achieve long-term capital appreciation of its assets by investing directly or indirectly in a diversified portfolio of securities such as equity and debt instruments of entities that do some or all of their business in Vietnam.

The Company seeks to achieve its investment objective through investing primarily in securities of listed and unlisted entities, including Vietnamese-listed companies, overseas companies and unlisted companies. Such entities include listed and unlisted closed-end fund vehicles. It also invests in securities issued by governmental agencies.

The Company holds all of its investments through wholly owned subsidiary companies which are special purpose holding companies incorporated outside of Vietnam. The Company has 10 wholly-owned special purpose companies, incorporated as exempted companies with limited liability in the Cayman Islands having the purpose of acting as trading conduits of the Company for the sole purpose of opening and operating trading accounts with brokers in Vietnam. These special purpose companies have the following names:

1. Epsom Limited
2. Lionel Hill Limited
3. Beira Limited
4. Prime Limited
5. Greystanes Limited
6. Siglap Limited
7. Teignmouth Limited
8. Tewkesbury Limited
9. Kallang Limited
10. Hephaestus Limited

As at the year end all of these special purpose Companies were in operation, with the exception of Kallang Limited. The sale of Kitchener Limited, which held the Fund’s interest in Prime Group, was finalised in April 2013. Notes 16 and 21 provide background information to the disposal of a majority interest in Swindon Limited, held by Teignmouth Limited. Hephaestus Limited was incorporated in January 2013, per Note 21.

As at 31 December 2013 and 2012, the Company and its subsidiaries (the Group) had no employees. The investment activities of the Group are managed by Deutsche Asset Management (Asia) Limited (the “Investment Manager”) and the administration of the Company is delegated to State Street Fund Services (Ireland) Limited. The registered office of the Company is located at: Second Floor Zephyr House, 122 Mary Street, PO Box 709, George Town, Grand Cayman KY1-1107, Cayman Islands.

2 Significant accounting policies

Statement of Compliance

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU. They have also been prepared in accordance with the reporting requirements of the Irish Stock Exchange and the EU Transparency Directive (2004/109/EC) Regulations 2007 (S.I. No. 277 of 2007), (the “Regulations”) for closed-ended funds. The significant accounting policies adopted by the Company are set out below.

a) Basis of preparation

The financial statements are presented in US Dollars. The functional currency of the Company and its subsidiaries is the US Dollar, reflecting the fact that all subscriptions received were denominated in US Dollars. The financial statements are prepared on a fair value basis for financial assets designated at fair value through profit or loss and for derivative financial instruments which are held for trading. Other financial assets and liabilities are stated at amortised cost.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

2 Significant accounting policies cont/d

Accounting estimates and judgements

The preparation of the consolidated financial statements, in accordance with International Financial Reporting Standards, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the period. Actual results could differ from those estimates.

Many of the Group's financial instruments are measured at fair value on the consolidated statement of financial position and it is usually possible to determine their fair values within a reasonable range of estimates. For a certain number of the Group's financial instruments, quoted market prices are readily available. However, for other financial instruments, for example, unquoted securities, these are fair valued using valuation techniques, including reference to the current fair values of other instruments that are substantially similar (subject to the appropriate adjustments). Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment (e.g. interest rates, volatility, estimated cash flows etc.) and therefore, cannot be determined with precision. Note 18 details the fair value hierarchy and supporting information.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies have been applied consistently by the Group. There were no changes in accounting policies of the Group during the year. Newly applicable accounting standards are set out in b) below.

b) New accounting standards

New standards applicable from 1 January 2013

IFRS 13 'Fair Value Measurement' establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The Standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of IFRS 13 is broad - it applies to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in IFRS 13 are more extensive than those required in the current standards. The example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under IFRS 7 Financial Instruments: Disclosures are extended by IFRS 13 to cover all assets and liabilities within its scope. IFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

IFRS 13, "Fair Value Measurement" effective for annual periods beginning on or after 1 January 2013, has been adopted by the Group. The standard improves consistency and reduces complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements. The Group has changed its valuation inputs for listed financial assets and liabilities to last traded prices to be consistent with the inputs prescribed in the Prospectus for the purpose of determining net asset value per share for subscriptions and redemptions. The use of last traded price is recognised as a standard pricing convention within the industry. Pricing is monitored to ensure it continues to represent fair value. The change in valuation inputs is considered to be a change in estimate in accordance with IAS 8.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

2 Significant accounting policies cont/d

b) New accounting standards cont/d

New standards applicable from 1 January 2013 cont/d

IFRS 7, “Disclosures - Offsetting Financial Assets and Financial Liabilities- Amendments to IFRS 7” effective for periods beginning on or after 1 January 2013, has been adopted by the Company. These amendments require an entity to disclose information about rights to set-off and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity’s financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32 Financial Instruments Presentation. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with IAS 32. The Company does not have any master netting arrangements in place as at 31 December 2013, and therefore the revised standard did not have any impact on the financial statements.

New standards and interpretations not early adopted

The effective dates set out below are those applying to EU endorsed IFRS if later than the IASB effective date. The Company intends to apply these standards from their EU effective dates.

As disclosed in the previous year annual financial statements, IFRS 9 ‘Financial Instruments’ is applicable for periods commencing 1 January 2018 (subject to the EU endorsement). The Company has not early adopted the standard for the current reporting period and will assess its impact when all aspects of the standard are finalised.

IFRS 10 ‘Consolidated Financial Statements’ is applicable for periods commencing 1 January 2014 and replaces the parts of IAS 27 Consolidated and Separate Financial Statements that deal with consolidated Financial Statements. SIC-12 Consolidation – Special Purpose Entities has been withdrawn upon the issuance of IFRS 10. IFRS 10 includes a new definition of control that contains the three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor’s returns. Extensive guidance has been added in IFRS 10 to deal with complex scenarios.

IFRS 10 (Amendment) provides an exception to consolidation requirements for entities that meet the definition of an investment entity. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss in accordance with IFRS 13, Fair Value Measurement.

The standard is effective for annual periods beginning on or before 1 January 2014. The Company is currently assessing the impact of this standard and the related Amendment.

IFRS 11, Joint Arrangements is effective for annual periods beginning on or after 1 January 2014. The standard establishes principles for financial reporting by parties to a joint arrangement. The Company expects no impact from the adoption of this standard

IFRS 12, Disclosures of interests in other entities, effective for annual periods beginning on or after 1 January 2014, includes the disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and consolidated and unconsolidated structured entities. The Company is currently assessing the impact of this standard.

The Group has considered all other upcoming requirements and has concluded that there are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Company.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

2 Significant accounting policies cont/d

c) Basis of consolidation

The consolidated financial statements comprise the financial statements of DWS Vietnam Fund Limited and its subsidiaries for the year ended 31 December 2013. Subsidiaries are consolidated from the date on which control is transferred to the Company and they cease to be consolidated from the date on which control is transferred from the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain the benefits from its activities. The Company had full control over all its subsidiaries during the year ended 31 December 2013, as the Company has full ownership of the subsidiaries. The Company owns almost 22% of Swindon Limited, which is treated as an investment in the consolidated financial statements.

d) Financial Instruments

(i) Classification

The Group classifies all its investments into the financial assets designated at fair value through profit or loss category as they are managed on a fair value basis. The category of financial assets at fair value through profit or loss comprises:

- Financial instruments held for trading, including all derivatives and rights/warrants;
- Financial instruments designated at fair value through the profit or loss upon initial recognition.

(ii) Recognition

The Group recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument. A regular way purchase of financial assets is recognised and derecognised using trade date accounting. From this date any gains and losses arising from changes in fair value of the financial assets or financial liabilities are recorded.

(iii) Measurement

Financial instruments are measured initially at fair value. Transaction costs on financial assets and financial liabilities at fair value through profit and loss are expensed through operating expenses in the profit or loss immediately while on other financial instruments such costs are amortised. Subsequent to initial recognition, except for financial instruments carried at amortised cost, all other financial instruments are fair valued through profit or loss.

(iv) Fair value measurement principles

Investments which are quoted, listed or normally dealt in on a securities market or other regulated market that is active will normally be valued at the official close of business last traded price on the principal market for such security at the Valuation Date. Where such security is listed or dealt in on more than one securities market the Administrator will value the security in the principal market, or in the absence of a principal market in the most advantageous active market to which the entity has immediate access. The value of any investment which is not listed or dealt in an active securities market shall be the value using an average of available broker prices, provided the variance between broker prices is not significant, or using an alternative estimation technique to measure fair value where no broker prices are available, if this is considered the best estimate of fair value at the year end.

(v) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IAS 39. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

(vi) Cash and cash equivalents

Cash comprises current deposits with banks. Cash and cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents are carried at amortised cost which approximates its fair value.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

2 Significant accounting policies cont/d

e) Net gains and losses on financial instruments at fair value through profit or loss

Gains and losses arising from financial instruments at fair value through profit or loss are included in the Consolidated Statement of Comprehensive Income and detailed in note 3. The net gain from financial instruments at fair value through profit or loss include all realised and unrealised fair value changes and foreign exchange differences, but exclude interest and dividend income. Net realised gains or losses from financial assets at fair value through profit or loss are calculated using the average cost method, calculated as the difference between the sales proceeds and the cost of the securities.

f) Translation of foreign currencies

Transactions in foreign currencies are translated into the US dollar functional currency at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are then subsequently translated to US Dollars at the foreign currency closing exchange rate ruling at the reporting date. Foreign currency exchange differences arising on translation and realised gains and losses on disposals or settlements of monetary assets and liabilities are recognised through profit or loss. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to US Dollars at the foreign currency exchange rates ruling at the dates that the values were determined.

Foreign exchange gains and losses on financial assets and financial liabilities at fair value through profit or loss are recognised together with other changes in the fair value.

Included in the profit or loss line item “Other gains / (losses)” are net foreign exchange gains and losses on monetary financial assets and financial liabilities other than those classified at fair value through profit or loss.

g) Interest Income

Interest income and expense including interest income from non-derivative financial assets at fair value through profit or loss are recognised in profit or loss as it accrues, using the original effective interest rates of the instrument calculated at the later of the acquisition or origination date. Interest income includes the amortisation of any discount or premium, or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest basis. Interest income is included with ‘Investment income’ in profit or loss in the Consolidated Statement of Comprehensive Income. Interest income is separately disclosed between bond interest from investments designated at fair value through profit or loss and fixed deposit interest from assets held at amortised cost.

h) Dividend income

Dividend income relating to exchange-traded equity investments is recognised in profit or loss on the ex-dividend date in the investment income line. In some cases, the Group may receive or choose to receive dividends in the form of additional shares rather than cash. In such cases the Group recognises the dividend income through profit or loss for the amount of the equivalent cash dividend alternative with the corresponding debit treated as an additional investment in the Statement of Financial Position.

Income distribution on listed equity instruments are recognised in profit or loss on the ex-dividend date.

Income distribution from private equity investments and other investment funds are recognised in profit or loss as dividend income when declared.

i) Expenses

All expenses, including management fees and custodian fees are recognised in profit or loss on an accruals basis.

j) Share Capital

Costs directly associated with the issuance of share capital of the Company are charged to the share premium account.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

2 Significant accounting policies cont/d

k) Purchase of own shares in DWS Vietnam Fund

The Group holds an amount of the Company's equity shares as part of its investments portfolio. The market value of such investments is included in the dealing net asset value at the year end date. In compliance with International Financial Reporting Standards, such investments are excluded from the Group's financial assets, as calculated for IFRS financial statement reporting purposes and are instead treated as treasury shares. The cost of Company shares purchased by Group Companies is shown as a movement through the share premium account as disclosed in the Consolidated Statement of Changes in Equity.

As own shares are not included as a financial asset on the Statement of Financial Position, any unrealised gain / loss on the purchase of its own shares held is excluded from the net gain / loss on investments designated at fair value through profit or loss, Note 3.

l) Taxation

Current tax is provided on the Company's taxable profits, at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Dividend and interest income received by the Company may be subject to withholding tax imposed in the country of origin. Investment income is recorded gross of such taxes and the withholding tax is recognised as 'non-reclaimable withholding tax' in the profit or loss.

Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the reporting date. Provision is made at the rates expected to apply when the temporary differences reverse.

Temporary differences are differences between the carrying amount of an asset or liability in the Statement of Financial Position and its tax base.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

m) Segmental Reporting

The Group operates a single operating segment under IFRS 8 with all decisions on allocating resources and reviewing performance of the Group being managed as a single segment. Note 19 provides a detailed description of the presentation of segment information.

3 Net gains on investments at fair value through profit or loss

	31/12/2013	31/12/2012
	US\$	US\$
The net gains on investments during the year comprise:		
Net gain on investments for the year:		
Investments designated at fair value	67,076,872	59,093,382
Investments held for trading	(39,584)	39,584
Net gains on investments at fair value through profit or loss	67,037,288	59,132,966

4 Investment income

	31/12/2013	31/12/2012
	US\$	US\$
From investments designated at fair value through profit or loss :		
Bond interest	2,234,514	1,306,409
Dividend income	9,045,702	6,974,523
From financial assets held at amortised cost:		
Fixed deposit interest	476	-
	11,280,692	8,280,932

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

5 Other gains / (losses)	Note	31/12/2013 US\$	31/12/2012 US\$
Net foreign exchange loss		(19,410)	(100,317)
Advisory fee income*	(16)	2,800,000	838,760
Other income		7,110	4,510
		2,787,700	742,953

*Advisory fee income was earned on the sale in April 2013 of Kitchener Limited, the Special Purpose Vehicle incorporated in Hong Kong which was used to hold Prime Group.

6 Operating expenses	Note	31/12/2013 US\$	31/12/2012 US\$
Investment Manager			
Investment Manager fee	(14)	(5,002,975)	(3,943,462)
Investment Advisor fee	(14)	(302,481)	(219,221)
Performance fee	(14)	(16,379,135)	(12,597,133)
		(21,684,591)	(16,759,816)
Custodian			
Custody fees	(14)	(309,798)	(290,432)
Administrator			
Administration fees	(14)	(353,396)	(278,392)
Transfer Agency fees		(6,000)	(6,000)
		(359,396)	(284,392)
Other expenses			
Directors fees	(7,16)	(5,000)	(5,000)
Directors Insurance		(50,712)	(61,667)
Professional fees		(508,934)	(109,950)
Audit fee*		(39,495)	(35,510)
Miscellaneous expenses		(18,802)	(466,804)
		(622,943)	(678,931)
Total Expenses		(22,976,728)	(18,013,571)

*The audit fee relates solely to the provision of audit services.

7 Directors' Remuneration

The Board determines the fees payable to each Director subject to a maximum aggregate amount of US\$75,000 per annum for the Board.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

8 Accounts receivable

	31/12/2013	31/12/2012
	US\$	US\$
Receivable for investments sold	152,668	-
Receivable on maturity of long term bond	2,428,045	-
Dividend receivable	707,785	461,763
Interest receivable	1,645,483	632,930
Retention fee receivable	2,681,548	-
Compensation receivable	1,481,525	-
Other receivables	56,463	6,263
	9,153,517	1,100,956

9 Cash and cash equivalents

	31/12/2013	31/12/2012
	US\$	US\$
Cash and bank balances	8,745,519	13,789,452
	8,745,519	13,789,452

All cash and bank balances are held with State Street Bank & Trust Company, which is rated AA- by Standard & Poor's.

10 Accounts payable

	31/12/2013	31/12/2012
	US\$	US\$
Purchases awaiting settlement	(140,288)	(1,019,681)
Accrued expenses	(6,348,846)	(4,106,597)
	(6,489,134)	(5,126,278)

Purchases awaiting settlement are paid on agreed settlement date and expenses are paid within 1 month.

11 Share capital

Shares - Equity

On incorporation of the Company on 13 September 2006, the authorised share capital was US\$500,000,000 made up of 500,000,000 shares of a par value of US\$1.00 each, having the rights set out in the Articles. By virtue of an Ordinary Resolution of the Company passed on 19 December 2008 and with the sanction of an Order of the Grand Court of the Cayman Islands dated 31 July 2009, the authorised share capital was amended to US\$10,000,000 made up of 1,000,000,000 shares of a par value of US\$0.01 each. Consequently, and by virtue of a Special Resolution of the Company passed on 19 December 2008 and with the sanction of an Order of the Grand Court of the Cayman Islands dated 31 July 2009, the issued share capital of the Company was reduced from US\$486,931,392 made up of 486,931,392 shares of US\$ 1.00 each, to US\$4,869,314 made up of 486,931,392 shares of US\$0.01 each. Therefore, the number of shares in issue has not changed since the incorporation of the Company.

The Shares constitute the only class of shares in the Company. The Company has originally issued one subscriber share which was subsequently repurchased by the Company at par. All Shares have the same rights, whether in regard to voting, dividends, return of share capital and otherwise.

The objectives of the subsidiary special purpose companies are outlined in the Investment Manager's Report. The Group strives to invest the subscriptions into the Company shares or into the subsidiaries to purchase investments that meet the Group's investment objectives while maintaining sufficient liquidity.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

11 Share capital cont/d

Shares - Equity cont/d

At a general meeting on a show of hands every shareholder of record present in person (or, in the case of a shareholder being a corporation by its duly authorised representative) shall have one vote and on a poll every shareholder of record present in person (or, in the case of a shareholder being a corporation by its duly authorised representative) or by proxy shall have one vote for each share registered in his name in the Register.

The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify as such in the notice calling it. The Directors may convene general meetings. Extraordinary general meetings may also be convened on such requisition. Upon a winding up of the Company, the shares carry a right to a return of the nominal capital paid up in respect of such shares, and the right to share in the surplus assets. There are no pre-emptive rights in connection with the shares.

Subject to the approval of the Irish Stock Exchange, the Group may hold shares through one of the its 10 wholly-owned special purpose vehicles as listed in note 1, by way of a re-purchase of any issued shares. The Investment Manager shall have the sole discretion to direct the purchase or sale of such shares of the Group so as to facilitate a market in the shares where, in its discretion, it considers that there is a significant difference between the net asset value per share and the trading price per share on the Irish Stock Exchange, but subject to certain conditions as detailed in the Prospectus to the fund. During the year, there was no purchase of DWS Vietnam Fund Limited shares by wholly owned subsidiary companies (2012: 10,525,000 shares purchased). Refer to note 2(k) for further details.

The Company has issued share capital of 486,931,392 shares of which a total of 40,100,000 (31 December 2012: 40,100,000) shares have been purchased by Siglap Ltd, Beira Ltd. and Epsom Ltd., wholly owned subsidiary companies since inception of the Company. The repurchase of own shares has been processed as a movement through the Share Premium in the relevant period, please refer to note 12 for further detail.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as results from operating activities divided by total shareholders' equity.

12 Share premium

	31/12/2013	31/12/2012
	US\$	US\$
Balance at start of year	471,302,202	473,897,228
Repurchase of parent shares by the Group	-	(2,595,026)
Balance at end of year	471,302,202	471,302,202

13 Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	2013	2012
	US\$	US\$
Earnings for the purpose of the basic and diluted earnings	50,631,412	50,097,988
Weighted average number of shares for the basic and diluted earnings per share	446,831,392	451,540,146

Basic earnings per share is calculated by dividing the earnings attributable to shareholders by the weighted average number of shares in issue during the period, excluding those purchased by the wholly owned subsidiary companies as noted in notes 2(k) and 11.

Diluted earnings per share is calculated by adjusting the earnings attributable to shareholders and the weighted average number of shares outstanding (excluding those purchased by wholly owned subsidiary companies) for the effects of dilutive potential shares. No dilutive potential shares existed at the year end.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

14 Significant Agreements

Custodian

State Street Custodial Services (Ireland) Limited acts as Custodian to the Company and Group, pursuant to the Custodian Agreement dated 10 November 2006. The Custodian fees are charged based on the Net Asset Value of the Group (not to exceed 18 basis points) on a monthly basis in arrears as defined in the prospectus. Additionally, sub-custodians' transaction fees are charged to the Fund.

Administrator

The Group and the Manager have appointed State Street Fund Services (Ireland) Limited pursuant to an agreement dated 10 November 2006. The Administration fee is billed and payable monthly based on the average monthly assets. The current rates for the Administration fee are 9 basis points for the first US\$100 million net assets, 8 basis points for net assets between US\$100 to US\$300 million and 6 basis points for net assets in excess of US\$300 million subject to a minimum monthly charge of US\$8,000 per special purpose company and a maximum fee of 12 bps of the Net Asset Value of the fund.

Discretionary Investment Adviser

Pursuant to an agreement dated 15 November 2006, the Group has delegated its discretionary investment management function to Deutsche Asset Management (Asia) Limited (DeAM). The Investment Manager fees are charged based on the Net Asset Value of the Group on a monthly basis as defined in the prospectus. The current rate for the Investment Manager Fee is 170 basis points.

In addition to the Investment Manager's fee a performance fee is payable on the achievement of a performance target as set out in the Company's prospectus. All assets of the Group are divided into Sub-Portfolios. There are separate Sub-Portfolios for (i) assets under management by the sub-Investment Manager (Duxton Asset Management Pte Ltd.), comprising the Investment Manager's Sub-Portfolio and (ii) assets under management by each Segregated Fund Manager (PXP Vietnam Asset Management Ltd.) Performance fees are calculated and payable separately for each such Sub-Portfolio.

Sub Investment Manager

With effect from 30 April 2009 ("the effective date"), DeAM Asia, the appointed discretionary investment manager of the DWS Vietnam Fund Limited, pursuant to its authority and discretion under the terms of the amended and restated Investment Manager Agreement (IMA) between DeAM Asia and the Company dated 14 February 2007, delegated certain of its investment management duties under this agreement to Duxton Asset Management Pte. Ltd, who have been appointed as sub Investment Manager.

Performance Fees

For the purpose of calculating performance fees, the Investment Manager's Sub-Portfolio excludes any Segregated Funds managed by Segregated Fund Managers. The performance fee earned for the year by DeAM Asia was US\$15,325,671 (2012: US\$12,123,622) of which US\$4,818,074 was outstanding at year end (2012: US\$3,603,422). The performance fee earned for the year by PXP Vietnam Asset Management Ltd was US\$1,053,464 (2012: US\$473,511) of which US\$345,783 was outstanding at year end (2012: US\$Nil).

Duxton was paid a performance fee directly by DeAM Asia, from the performance fee paid to DeAM Asia detailed above. The performance fee paid by DeAM Asia to Duxton for the year ended 31 December 2013 was US\$7,662,835 (2012: US\$6,061,811) of which US\$2,409,037 was outstanding at the year end (2012: US\$1,801,711).

The Group shall pay performance fees to the Investment Manager in arrears within 30 days from the end of each calculation period and shall be calculated by reference to the unaudited accounts of the Group. The calculation periods are between 1 January and the last valuation date in June and between 1 July and 31 December each year. The performance fee is not based on a high water mark. Each calculation period is independent of previous calculation periods i.e. a decline in the Net Asset Value of a sub-fund in one calculation period will not affect the payment of performance fees for this sub-fund in future calculation periods. The Group shall pay a performance fee on the Investment Manager's Sub Portfolio if the Investment Manager's Sub-Portfolio generates a return greater than 8% on an annualized basis during a calculation period.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

14 Significant Agreements cont/d

Performance Fees cont/d

An enhanced performance fee is payable if the Investment Manager's Sub-Portfolio generates a return greater than 10% on an annualised basis during a calculation period. Fees payable to the Investment Manager on termination of the Investment Management Agreement are detailed in the Prospectus.

15 Taxation

There are no taxes on income or gains in the Cayman Islands and the Group has received an undertaking from the Governor in Council of the Cayman Islands, under the Tax Concessions Law (1999 Revision), exempting it from all local income, profits and capital taxes until 26 September 2026. Accordingly, no provision for Cayman income taxes is included in these financial statements.

Dividend and interest income received by the Group may be subject to withholding tax imposed in the country of origin. Investment income is recorded gross of such taxes and the withholding tax is recognized in the tax line as 'Non-reclaimable withholding tax' in the Consolidated Statement of Comprehensive Income. The non-reclaimable withholding tax in the Consolidated Statement of Comprehensive Income for year ended 31 December 2013 was US\$29,809 (2012: 45,292)

The Company anticipates that the tax consequences for the Company of its investments in Vietnam will be as follows:

Dividends

The Company will not be subject to any additional corporate income tax in Vietnam on dividends the Company receives from the tax-paid profits of Vietnamese companies. Remittance of the dividends outside of Vietnam is also free of tax as there is no longer any profit remittance tax applicable to foreign investors in Vietnam.

Interest

Effective March 1, 2012, non-resident institutional investors are subject to a 5% withholding tax rate on interest income received from corporate and government bonds and certificates of deposit (CDs). Non-resident institutional investors were previously subject to a 10% withholding tax rate on such interest income.

Disposals

The Company will be subject to a "deemed profits" tax in Vietnam when the Company disposes of any public company securities, bonds or fund certificates of its Investee Companies. This tax is equivalent to 0.1% of the proceeds received from the transfer. No relief is allowed for transaction costs and no allowance is taken for the cost of investments (i.e. the existence of actual profits is irrelevant). The tax is netted against the realised gains / (losses) as part of the 'Net gain / (loss) on investments at fair value through profit or loss' within the consolidated statement of comprehensive income.

For Investee Companies where the Company invests in the legal / charter capital of limited liability companies or shares in private companies (e.g. certain private equity transactions), the Company will be subject to a "capital assignment" tax on any gain made when the Company sells or transfers this ownership interest or shares to another party. This tax will be charged at a rate of 25% on the difference between the assignment proceeds and the original value of the assigned capital, less the transaction costs. The original value of the assigned capital is the actual capital amount which has been contributed by the transferor as at the assignment date, as supported by and based on accounting books and documents.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

15 Taxation cont/d

Corporate Income Tax

Under Vietnam's Corporate Income Tax ("CIT") regime, the net gain derived by a foreign organisation from an assignment of shares and/or convertible instruments in a Vietnam-registered non-public enterprise is subject to CIT at 25%. Accordingly, the Group has recognised a deferred CIT liability on the net unrealised gains attributable to the Vietnam registered non-public investments it held as at 31 December 2013.

Net deferred CIT liability:	31/12/2013	31/12/2012
	US\$	US\$
Net deferred CIT liability	7,467,731	0

16 Related Party Transactions

In accordance with IAS 24 'Related Party Disclosures', the following are the related parties and associated related party transactions of the Company for the year ended 31 December 2013.

Transactions with entities with significant influence;

Deutsche Asset Management (Asia) Limited (a subsidiary of Deutsche Bank AG) has been appointed as Investment Manager to the Group. For these services in the year, Deutsche Asset Management (Asia) Limited earned a fee of US\$5,002,975 (2012: US\$3,943,462) of which US\$885,589 was outstanding at the year end (2012: US\$354,743). As detailed in Note 14, the performance fee earned for the year by DeAM Asia was US\$15,325,671 (2012: US\$12,123,622) of which US\$4,818,074 was outstanding at year end (2012: US\$3,603,422).

The Investment Manager may execute trades on behalf of the Fund with Deutsche Bank London broking division, a member of the Deutsche Bank AG Group of which the Investment Manager is also a member. There were no trades executed on behalf of the Fund with Deutsche Bank London for the years ended 31 December 2013 and 31 December 2012.

In 2013 the Fund earned advisory fee income of US\$2,800,000 for administering the sale of Kitchener Limited. These advisory services were performed by Duxton.

As at year end the Group held an investment in the collective investment schemes, PXP Vietnam Fund Limited and PXP Vietnam Emerging Equity Fund which are managed by PXP Vietnam Asset Management Limited and are therefore related parties, as PXP Vietnam Asset Management Limited has been appointed by Duxton Asset Management to manage a portion of the investment cash during the year. PXP Vietnam Asset Management Limited earned a management fee for the year of US\$302,421 (2012: US\$219,220) of which US\$83,826 was outstanding at year end (2012: US\$56,091). In addition, PXP Vietnam Asset Management Limited earned a performance fee for the year of US\$1,053,464 (2012: US\$473,511) of which US\$345,783 was outstanding at year end (2012: US\$Nil).

As detailed in note 14, with effect from 30 April 2009, Deutsche Asset Management (Asia) Limited delegated certain of its investment management duties to Duxton Asset Management Pte. Ltd, who have been appointed as sub Investment Manager to the Group. For these services in the year, Duxton Asset Management Pte Ltd. earned a performance fee of US\$7,662,835 (2012: US\$6,061,811) of which US\$2,409,037 was outstanding at the year end (2012: US\$1,801,711). The performance fee is paid to Duxton Asset Management Pte Ltd. by DeAM directly .

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

16 Related Party Transactions cont/d

Transactions with key management personnel;

Stephen Duerden is a Director of Duxton Asset Management Ltd.

Three of the Directors, Tran Van Tri, Karim Ghannam and Rosanna Mak Tsui Shan are employees of Deutsche Bank A.G. related entities.

The total fees earned by the independent Director in the year was US\$5,000 (2012: US\$5,000).

Transactions with subsidiaries;

On 2 August 2011, the investment committee of Duxton Asset Management in accordance with the delegated sub-Investment Manager mandate for the Company approved the sale of convertible bonds, representing 17.5% of the issued share capital in Hoan My Medical Corporation ("Hoan My") held by Epsom Limited, a wholly-owned subsidiary of the Company, to Fortis Healthcare International Pte Limited ("Fortis Healthcare") for an aggregate consideration of US\$17,236,438, with the Company to retain ownership (via a special purpose vehicle) of convertible bonds convertible into shares representing 4.9% of the issued share capital in Hoan My.

The disposal was executed via the following transactions:

(i) sale of all the convertible bonds held by Epsom, representing 22.4% of the issued share capital in Hoan My to Swindon Limited for a consideration of VND180,000,000,000 (approximately US\$8,742,108 based on an exchange rate of 1 USD to 20,590 VND), being the cost price of the convertible bonds paid by Epsom at the point of initial acquisition, pursuant to a convertible bonds sale agreement between Epsom and Swindon.

(ii) sale of the entire issued share capital of Swindon Ltd. a wholly owned subsidiary of the Company, by the Company to Teignmouth Ltd, another wholly owned subsidiary of the Company, for a purchase price of US\$8,742,108 to be satisfied by issue of 8,742,108 ordinary shares in Teignmouth Ltd. at an issue price of US\$1 per share to the Company, pursuant to a share purchase agreement to be entered into between the Company and Teignmouth.

(iii) sale of 78.13% of the share capital of Swindon Ltd. by Teignmouth Ltd. to a third party, Fortis Healthcare on 28 December 2011, pursuant to a share purchase agreement dated 8 August 2011 entered into between the Company, Epsom Ltd., Teignmouth Ltd. and Fortis Healthcare International Pte Limited at fair value for consideration of US\$ 17million.

The holding of 21.87% of Swindon Ltd. by Teignmouth Ltd. retained is carried at fair value through profit and loss of US\$5,782,596 (2012: US\$4,826,500).

In April 2013, the Fund completed the exit of its entire 11.9% stake in Prime Group, via the sale of 100% of the share capital of Kitchener Limited, a wholly-owned subsidiary of the Company to SCG Building Materials Co. Ltd.

In accordance with the Offer Memorandum and the Articles and Memorandum of Association of the Company, the Company may structure any or all of its investments through wholly-owned subsidiaries which act as special purpose holding companies incorporated outside Vietnam. Pursuant to the terms of the sub-delegation agreement between Deutsche Asset Management (Asia) Limited and Duxton Asset Management Pte Ltd ("Duxton"), Duxton as the delegated investment manager of the Company recommended that the Company incorporate two new wholly owned subsidiaries of the Company (the "SPV's"), to hold certain underlying investments of the Company. Of these new wholly owned subsidiaries, Kitchener Limited was incorporated in Hong Kong in April 2012 (and subsequently disposed of in April 2013), and Hephaestus Limited was incorporated in the Cayman Islands in January 2013.

The subsidiaries currently in operation as listed in Note 1 are being managed by Deutsche Asset Management (Asia) Limited. All transactions between the company and its subsidiaries are on an arm's length basis.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

17 Financial instruments

In accordance with IFRS 7 Financial Instruments: Disclosure, this note details the way in which the Company manages risks associated with the use of Financial Instruments. Certain IFRS 7 disclosures are addressed on the consolidated portfolio of investments which can be found on pages 25 to 27.

General Risk Management Process

As an Investment Company, the risk management of financial instruments is fundamental to the management of the Company's business. The Company's risk management process is managed by Duxton Asset Management Pte. Ltd. in its capacity as delegated Investment Manager. Duxton is organized by function with distinct separation of responsibility between the portfolio managers, traders and investment administration personnel. The risk management process consists of a multi-layered and cross-functional review that provides a system of checks and balances.

Risks specific to each type of financial instrument are managed by the relevant Portfolio Management teams. This includes:

- a) The 'Listed Equities' Team
- b) The 'Unlisted Equities' Team (including Collective Investment Schemes)
- c) The 'Fixed Income' Team

In addition these teams are supported by the Investment Committee which provides oversight to the investment, performance and operational processes of the Group.

As defined in IFRS 7, risk can be separated into the following components: market risk, credit risk and liquidity risk. Each type of risk is discussed in turn and qualitative and quantitative analyses are provided where relevant to give the reader an understanding of the risk management methods used by the Investment Manager and the Board of Directors.

However, each risk control in place is not always limited to the mitigation of one single, particular risk. Hence, investors should place the role of each risk control in the broader context of the overall risk management of the Group.

(a) Market risk

(i) Market price risk

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other market price risk.

Other market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk which are addressed separately), whether those changes are caused by factors specific to individual financial instruments or its issuer, or other factors affecting similar financial instruments traded in the market.

The Company undertakes to manage market price risk among the different asset classes by pre-setting monthly asset allocation targets. The monthly asset allocation targets are based on the Fund Manager's (FM) projections of the market price risks of the individual financial instruments that the Group holds. In pre-setting allocations, the FM aims to achieve an optimal weightage of the Fund's financial instruments to minimize market price risk, though there is no guarantee this may be achieved.

The asset allocations of the Fund are also monitored and reviewed on a monthly basis in Investment Committee meetings, based on inputs from Duxton's CIO and the Investment Committee, which includes all Fund Managers from the 3 teams- the 'Listed Equities' team, the 'Unlisted Equities' team and the 'Fixed Income' team.

The Group is exposed to inflation risk as the global economic recovery takes place.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

17 Financial instruments cont/d

General Risk Management Process cont/d

The asset class exposure as at 31 December 2013 and 31 December 2012 were as follows:

	31 December 2013		31 December 2012	
	Net US\$	%Total Assets	Net US\$	%Total Assets
Asset Class Exposure:				
<i>Financial instruments at fair value through profit or loss:</i>				
Listed Equities	144,769,627	48.31%	95,557,034	39.78%
Unlisted Equities	53,347,281	17.80%	79,685,631	33.17%
Warrants & Rights	-		39,584	0.02%
Collective investment schemes	40,075,364	13.37%	28,336,027	11.80%
Bonds	30,764,951	10.27%	21,695,576	9.03%
Convertible Loans	12,810,000	4.28%	-	0.00%
	281,767,223	94.03%	225,313,852	93.80%
<i>Financial assets at amortised cost:</i>				
Cash and bank balances	8,745,519	2.92%	13,789,452	5.74%
Other Assets	9,153,517	3.05%	1,100,956	0.46%
	17,899,036	5.97%	14,890,408	6.20%
Total Assets	299,666,259	100.00%	240,204,260	100.00%

The Board of Directors estimates the reasonably possible market price fluctuations for equity investments being a 10% sensitivity on an individual investment basis.

The table below sets out the effect on the Company's profit or loss and net assets of a reasonably possible strengthening in the individual equity market prices of 10% at 31 December 2013 and 2012. The analysis assumes that all other variables, in particular interest and foreign currency rates remain constant.

<i>Effect in US\$:</i>	2013 US\$	2012 US\$
Net impact on profit or loss and net assets	23,819,227	20,361,828

Effect in % of net assets:

Net impact on profit or loss and net assets	8.34%	8.66%
---	-------	-------

The industry sector breakdown (for listed and unlisted equities) as at 31 December 2013 is detailed below. (All listed and unlisted securities and warrants and rights are held in Vietnam).

Sector	31 December 2013	31 December 2012
Consumer staples	38%	25%
Industrials	14%	13%
Materials	10%	20%
Information Technology	10%	9%
Energy	8%	4%
Real estate management	6%	10%
Healthcare	7%	8%
Financials	4%	6%
Consumer Discretionary	2%	5%
Marine	1%	-
Total	100%	100%

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

17 Financial instruments cont/d

General Risk Management Process cont/d

a) Market risk cont/d

(ii) Currency risk

Currency risk is defined in IFRS 7 as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. This risk arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured. For the purposes of IFRS 7, currency risk is ordinarily defined to include monetary items only, such that it therefore excludes non-monetary foreign currency financial instruments. However, as the Group fair values all its non-monetary financial instruments, all such assets have been included hereunder for the purpose of currency risk exposure analysis.

Under the mandate of the Investment Management Agreement, the primary investment objective of the Group is to seek long-term capital appreciation of its assets by investing in a diversified portfolio of Vietnamese-related securities (onshore and offshore), such as equity, fixed-income and money market instruments. There is no explicit intention of performance returns through currency gains and the Group does not seek currency speculation as one of its investment objectives.

As such, the two main currencies held by the Group are the US dollar (the functional currency of the Fund) and the Vietnamese Dong (which is required for investments into Vietnam that require payment in the local currency). However, on occasion, the Group may hold financial instruments denominated in a currency other than the US dollar or Vietnamese Dong as a consequence of buying securities that are listed on a Foreign

Exchange and which are thus denominated in a currency other than US Dollar or Vietnamese Dong. When selling these off-shore equities which are denominated in the off-shore country's base the Group may from time to time have cash that is denominated in a currency other than USD and VND. Under such circumstances, the FM on a best effort's basis, will either buy other off-shore equities denominated in the off-shore country's base currency or repatriate the amount held in the off-shore country's base currency into either US dollar or Vietnamese Dong as soon as possible. There are internal controls in place to ensure that the Fund adheres to this policy. The FM has also taken the view not to actively hedge the Vietnamese Dong against the USD as Vietnamese Dong is often needed for investments into Vietnamese-related securities that require payment in the local currency.

In summary, the Fund's exposure to currency risk is continually monitored by the FM and hedging against such a risk will be entirely at the FM's discretion.

	31 December 2013			31 December 2012		
	Assets	Liabilities	Net Assets	Assets	Liabilities	Net Assets
	US\$	US\$	US\$	US\$	US\$	US\$
Monetary:						
USD	6,322,643	(6,348,846)	(26,203)	11,927,610	(4,106,597)	7,821,013
VND	33,187,827	(7,608,019)	25,579,808	24,658,373	(1,019,681)	23,638,692
Non-Monetary:						
USD	60,704,312	-	60,704,312	29,791,112	-	29,791,112
VND	199,451,477	-	199,451,477	173,827,165	-	173,827,165
Total	299,666,259	(13,956,865)	285,709,394	240,204,260	(5,126,278)	235,077,982

The Board of Directors estimates the reasonably possible strengthening of the US\$ in relation to the Vietnamese Dong by 5%.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

17 Financial instruments cont/d

General Risk Management Process cont/d

a) Market risk cont/d

(ii) Currency risk cont/d

The table below sets out the effect on the Company's profit or loss and net assets of a reasonably possible strengthening of the US\$ in relation to the Vietnamese Dong by 5% at 31 December 2013 and 2012. This analysis assumes that all other variables, in particular interest rates, remain constant:

<i>Effect in US\$:</i>	2013 US\$	2012 US\$
Net impact on profit or loss and net assets	10,713,174	9,403,136
 <i>Effect in % of net assets:</i>		
	3.75%	4.00%

(iii) Interest rate risk

This risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This risk arises on financial instruments whose fair value or future cash flows are affected by changes in interest rates. The Fund is exposed to interest rate risk through the fixed income portion of its assets. The management of such risks is discussed below.

The following table details the Fund's exposure to interest rate risk at year end. It includes the Group's financial assets and trading liabilities, categorised by the earlier of contractual re-pricing or maturity date measured by the carrying value of the assets and liabilities:

31 December 2013:

	Repricing / Maturity Date less than 1 year US\$	Repricing / Maturity Date 1 to 5 years US\$	Repricing / Maturity Date over 5 years US\$	Non-Interest Bearing US\$	Total Carrying Value US\$
Assets					
Cash and Bank Balances	8,745,519	-	-	-	8,745,519
Equities				198,116,908	198,116,908
Bonds	7,402,922	23,362,029	-	-	30,764,951
Convertible loans	-	12,810,000	-	-	12,810,000
Collective Investment Schemes				40,075,364	40,075,364
Other Assets	-	-	-	9,153,517	9,153,517
Total Assets	16,148,441	36,172,029	-	247,345,789	299,666,259
Liabilities					
Other Liabilities	-	-	-	(13,956,865)	(13,956,865)
Total Liabilities	-	-	-	(13,956,865)	(13,956,865)
Total Net Assets					285,709,394

The Board of Directors have determined that a fluctuation of between 100 basis points and 300 basis points is reasonably possible at 31 December 2013 and 2012.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

17 Financial instruments cont/d

General Risk Management Process cont/d

(a) Market risk cont/d

(iii) Interest rate risk cont/d

VND-denominated bond portfolio

As at 31 December 2013 the VND denominated bond portfolio comprised of unlisted convertible bonds with the associated risks and sensitivities as discussed in Note 18.

USD-denominated bond portfolio

Below is the interest rate sensitivity of the USD denominated bond portfolio of the company as at 31 December 2013 based on the weighted average duration of the bonds.

The table below sets out the effect on the Company's profit or loss and net assets of a reasonably possible increase or decrease of between 100 basis points and 300 basis points at 31 December. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Change in interest rate	Weighted average Duration of portfolio (years)	% Change	Change in Value (US\$)
300bp decline	1.20	3.60%	82,493
200bp decline	1.20	2.40%	54,995
100bp decline	1.20	1.20%	27,498
100bp increase	1.20	1.20%	(27,498)
200bp increase	1.20	2.40%	(54,995)
300bp increase	1.20	3.60%	(82,493)

The interest rate profile of the Group as at year ended 31 December 2012 was as follows:

	Repricing / Maturity Date Less than 3 months US\$	Repricing / Maturity Date 1 to 5 years US\$	Repricing / Maturity Date over 5 years US\$	Non-Interest Bearing US\$	Total Carrying Value US\$
Assets					
Cash and Bank Balances	13,789,452	-	-	-	13,789,452
Equities and rights	-	-	-	175,282,249	175,282,249
Bonds	1,157,263	20,538,313	-	-	21,695,576
Collective Investment Schemes	-	-	-	28,336,027	28,336,027
Other Assets	-	-	-	1,100,956	1,100,956
Total Assets	14,946,715	20,538,313	-	204,719,232	240,204,260
Liabilities					
Other Liabilities	-	-	-	(5,126,278)	(5,126,278)
Total Liabilities	-	-	-	(5,126,278)	(5,126,278)
Total Net Assets					235,077,982

VND-denominated bond portfolio

As at 31 December 2012 the VND denominated bond portfolio comprised of unlisted convertible bonds with the associated risks and sensitivities as discussed in note 17.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

17 Financial instruments cont/d

General Risk Management Process cont/d

(a) Market risk cont/d

(iii) Interest rate risk cont/d

USD-denominated bond portfolio

Below is the interest rate sensitivity of the USD denominated bond portfolio of the company as at 31 December 2012 based on the weighted average duration of the bonds:

Change in interest rate	Weighted average Duration of portfolio (years)	% Change	Change in Value (US\$)
300bp decline	1.70	5.10%	156,838
200bp decline	1.70	3.40%	104,559
100bp decline	1.70	1.70%	52,279
100bp increase	1.70	1.70%	(52,279)
200bp increase	1.70	3.40%	(104,559)
300bp increase	1.70	5.10%	(156,838)

(b) Credit Risk

This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty risk and issuer risk. In relation to the Group, it can arise from receivables due from another party, placing deposits with other entities, purchases of debt securities and entering into derivative contracts.

Counterparty risk is managed by transacting only with approved counterparties who have been approved by Duxton Asset Management Pte. Ltd. risk committee.

Issuer risk is associated with transacting in exchange traded debt securities and is monitored by use of credit ratings. For funds investing in debt securities, the investment objectives provide details of the credit rating restrictions imposed on that Fund.

In managing credit risk, the Company and its Segregated Managers will observe the following investment restrictions and requirements:

(a) No more than 20 per cent of the gross assets of the Company may be invested in the securities of a single issuer or may be exposed to the creditworthiness or solvency of any one counterparty except where the investment is in securities issued or guaranteed by a government agency or issue of any member state, its regional or local authorities or an OECD member state;

(b) No more than 40 per cent of the gross assets of the Company may be invested in another single fund or may be allocated by the Investment Manager to any single Segregated Fund Manager, but provided always that each Segregated Fund Manager operates on the principal of risk spreading and complies with each of the Company's investment restrictions as provided in this provision, and the Investment Manager will undertake to monitor the underlying investments to ensure that, in aggregate, the investment restrictions set out above are complied with. No more than 20 per cent, in aggregate, of the value of the gross assets of the fund will be invested in other funds whose principal investment objectives include investing in other funds.

As at 31 December 2013, no more than 14.08% of the fund's NAV was invested in another single fund/collective investment scheme (31 December 2012: no more than 14%).

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

17 Financial instruments cont/d

General Risk Management Process cont/d

(b) Credit Risk cont/d

In addressing issuer risk, financial institutions outside of Vietnam must have a minimum short-term credit rating of Prime-1 (Moody) / A-1 (Standard & Poor) / F-1 (Fitch Ratings). Such deposit instruments may include money-market funds or fixed income instruments with a term of less than 3 months provided that the instrument has a credit rating of 'A' or above. For the purpose of this paragraph, a credit rating of 'A' refers to the credit rating allotted by Standard & Poor's.

The ratings of the fixed income instruments are detailed in the portfolio of investments on page 26. For instruments with no credit ratings available, the Company monitors the credit risk and credit spreads on a regular basis. Please refer to page 49 for further details on the risks and sensitivities associated with these bonds.

As at 31 December 2013, all of the assets (other than its assets located in Vietnam or assets located in any other jurisdictions which require assets to be held by a local custodian, pursuant to the Custodian Agreement) of the Group are held by State Street Custodial Services (Ireland) Limited, 78 Sir John Rogerson's Quay, Dublin 2, Ireland, whose parent State Street Corporation has a credit rating of A-1. Bankruptcy or insolvency of the custodian may cause the Fund's rights with respect to securities held by the custodian to be delayed or limited. The Fund monitors its risk by monitoring the credit rating and financial positions of the custodian the Fund uses, and also by monitoring the credit rating of the sub-custodian it uses, Hong Kong and Shanghai Bank Corporation, which has a credit rating of AA.

The carrying amounts of financial assets set out in the table below best represent the maximum credit risk exposure at the consolidated statement of financial position date.

	31 December 2013	31 December 2012
	US\$	US\$
Investment in Debt Instruments	43,574,951	21,695,576
Cash & Cash Equivalents	8,745,519	13,789,452
Interest & Other Receivables	9,153,517	1,100,956
	<hr/> <hr/>	<hr/> <hr/>
	61,473,987	36,585,984

(c) Liquidity Risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

The Group has little/no liquidity risk as it is a closed-end fund, and redemptions by investors are not allowed for the entire length of the fund's life, which is of unlimited duration. There are no financial obligations that may arise through redemptions of shares by investors. The fund holds sufficient cash at all times to meet its obligations to cover operating expenses.

However, to prevent significant exposure to financial liabilities in any Investee company, the Group is not allowed to acquire an interest in an investment which exposes the Company to unlimited liability.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

17 Financial instruments cont/d

General Risk Management Process cont/d

(c) Liquidity Risk cont/d

Risk management controls for Different Financial Instruments

The following paragraphs discuss the risk controls taken to manage the risk levels of each of the financial instruments stated below:

1. *Cash and cash equivalents*
2. *Fixed Income*
3. *Equities*
 - o *Listed Equities*
 - o *Unlisted Equities*

1. Cash & Cash Equivalents

The Company's investments in Vietnam are in securities that are denominated in Vietnamese Dong. Therefore, a significant cash portion of the Group is held in Vietnamese Dong.

The Vietnam Dong is held in bank accounts with State Street Custodial Services (Ireland) Limited. The Company may seek to hedge against a decline in the value of the Company's assets resulting from currency depreciation but only if and when suitable hedging instruments are available on a timely basis and on terms acceptable to the Investment Manager. There is no assurance that any hedging transactions engaged in by the Company will be successful in protecting against currency depreciation or that the Company will have opportunities to hedge on commercially acceptable terms.

The Company may hold up to 100 per cent of its assets in cash at any time at the sole discretion of the Investment Manager. The Investment Manager can require Segregated Fund Managers to hold any or all Segregated Funds assets in cash. The Company's uncommitted assets will be held in cash, either in Dong or US\$ deposit instruments held in financial institutions in Vietnam or outside of Vietnam. Financial institutions outside of Vietnam must have a minimum short-term credit rating of Prime-1 (Moody) / A-1 (Standard & Poor) / F-1 (Fitch Ratings). Such deposit instruments may include money-market funds or fixed income instruments with a term of less than 3 months provided that the instrument has a credit rating of 'A' or above. For the purpose of this paragraph, a credit rating of 'A' refers to the credit rating allotted by Standard & Poor's. As at 31 December 2013, all cash was held by State Street Custodial Services (Ireland) Limited.

2. Fixed Income

As at year end the fund invests in the following bonds :

USD-denominated Vietnam Sovereign bonds

These bonds are affected by interest rate risk. i.e. US interest rates and credit spreads on the Vietnam sovereign. The Investment Manager will monitor the US interest rates and credit spreads on the Vietnam sovereign to manage interest rate risk. The value of USD-denominated Vietnam Sovereign bonds as at 31 December 2013 was US\$2,291,468 (0.80% of NAV). The value of USD-denominated Vietnam Sovereign bonds as at 31 December 2012 was US\$3,075,260 (1.31% of NAV).

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

17 Financial instruments cont/d

General Risk Management Process cont/d

(c) Liquidity Risk cont/d

3. Equities

a. Listed Equities

Listed equities of the Company are exposed to market price risks. The Investment Manager has adopted a prudent approach in building fund exposure to the broader Vietnamese markets to minimise such risks. As of 31 December 2013, 3.06% (2012: 5.87%) of the Fund is in cash and short term equivalents, to be invested only should suitable opportunities be identified. The fund's exposure to market price risk at 31 December 2013 is equivalent to the fair values of investments, as detailed in the Schedule of Investments on pages 25 to 27. The value of listed equities as at 31 December 2013 was US\$144,769,627 (50.67% of NAV), 31 December 2012: US\$95,557,034 (40.65% of NAV).

To manage risk in the listed equities portion of the portfolio, the fund observes the condition that no more than 20 per cent of the gross assets of the Company may be invested in the securities of a single issuer or may be exposed to the creditworthiness or solvency of any one counterparty except where the investment is in securities issued or guaranteed by a government agency or instrumentality of any member state, its regional or local authorities or an OECD member state.

No more than 25 per cent of outstanding market capitalisation / shares of any issuer may be owned by the Fund.

b. Unlisted Equities

In the "unlisted equities" portion of the Group, the Group faces liquidity risk. The Group endeavors to minimise liquidity risk by only investing in unlisted companies with profit track record that have plans to list on a liquid Stock Exchange (either domestically or regionally) within a 2-3years time frame. However, few companies have listed on the Vietnam Stock Exchange and there is no guarantee that the Vietnam Stock Exchange will provide liquidity for the Group's investment in Unlisted Companies. The Group may have to resell its investments in privately negotiated transactions and the prices realised from these sales could be less than those originally paid by the Group or less than what may be considered to be the fair value or actual market value of such securities. The value of unlisted equities as at 31 December 2013 was US\$53,347,281 (18.67% of NAV) 31 December 2012: US\$79,685,631 (33.89% of NAV).

The 'unlisted investments' team seeks to mitigate risk by conducting the appropriate due diligence on the unlisted companies the Group invests in. This includes on-site due diligence at the offices of the unlisted Companies it invests in together with interview of the management. In some instances, external research parties may be hired to conduct due diligence on the unlisted Companies. However, investors should bear in mind that good due diligence may be difficult to achieve in some contexts, especially where limited information is publicly available.

As the Group is likely to be a minority shareholder in any Unlisted Company in which it invests, the Group will endeavour in appropriate situations to obtain suitable minority shareholder protection by way of a shareholders' agreement and/or observer rights on boards, where possible. However, the Group may not succeed in obtaining such protection and even where the Group obtains such shareholders' agreement or board representation, they may only offer limited protection.

Other general risk management procedures

The Company will not:

- (a) Acquire an interest in an investment which exposes the Company to unlimited liability;
- (b) Make any investments on margin unless to meet the requirements of settlement; or
- (b) Undertake any short-selling.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

18 Fair Value Information and hierarchy

IFRS 13, “Fair value measurement”, requires the Group 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 market price (unadjusted) in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted prices for identical or similar instruments in markets that are considered less than active including securities priced using quotations received from brokers, whenever available and considered reliable; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument’s valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes ‘observable’ requires significant judgement by the Company.

The Company 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 table analyses within the fair value hierarchy the Company’s financial instruments measured at fair value at 31 December 2013:

	Level 1	Level 2	Level 3	Total Fair Value
Financial instruments at fair value through profit or loss	US\$	US\$	US\$	US\$
Collective Investment Schemes	5,250,000	34,825,364	-	40,075,364
Listed Equities	144,769,627	-	-	144,769,627
Unlisted Equities	-	13,577,244	39,770,037	53,347,281
Long Term Bonds	-	2,291,468	28,473,483	30,764,951
Convertible Loan	-	-	12,810,000	12,810,000
Total	150,019,627	50,694,076	81,053,520	281,767,223

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

18 Fair Value Information and hierarchy cont/d

The following table presents the transfers between levels for the year ended 31 December 2013:

	Level 1 US\$	Level 2 US\$	Level 3 US\$
Transfer between Levels 1 and 2 ⁽¹⁾ :	(436,149)	436,149	-
Transfer between Levels 1 and 3 ⁽²⁾ :	7,962,063	-	(7,962,063)

⁽¹⁾ As at 31 December 2012 the Fund's investment in Blue-Chips Investment Fund was classified as a Level 1 security as it was listed on an exchange and traded in an active market. During the year ended 31 December 2013 this security was de-listed and it was therefore considered more appropriate to classify as Level 2.

⁽²⁾ During the year ended 31 December 2013 the Fund's existing holding of NBB Investment Corporation JSC unlisted preference shares were converted to ordinary listed shares. These listed shares traded in an active market.

The following table analyses within the fair value hierarchy the Company's financial instruments measured at fair value at 31 December 2012:

	Level 1	Level 2	Level 3	Total Fair Value
Financial instruments at fair value through profit or loss	US\$	US\$	US\$	US\$
Collective Investment Schemes	10,316,527	18,019,500	-	28,336,027
Listed Equities	95,557,034	-	-	95,557,034
Unlisted Equities	-	12,299,925	67,385,706	79,685,631
Warrants and Rights	-	39,584	-	39,584
Long Term Bonds	-	3,075,260	18,620,316	21,695,576
Total	105,873,561	33,434,269	86,006,022	225,313,852

There were no transfers between Level 1 and Level 2 and Level 3 of the fair value hierarchy for financial instruments which are recorded at fair value at 31 December 2012.

Level 3 Reconciliation

The following table shows a reconciliation of all movements in the fair value of financial instruments categorised within Level 3 from the start of the year to the end of the year 31 December 2013:

	Unlisted Equities	Long Term Bonds	Convertible Loans	Total
	US\$	US\$	US\$	US\$
Opening Balance	67,385,706	18,620,316	-	86,006,022
Gains recognised in profit and loss	3,918,193	12,281,212	610,000	16,809,405
Purchases	-	-	12,200,000	12,200,000
Sales	(23,571,799)	(2,428,045)	-	(25,999,844)
Transfers out of Level 3	(7,962,063)	-	-	(7,962,063)
Transfers into Level 3	-	-	-	-
Closing Balance	39,770,037	28,473,483	12,810,000	81,053,520

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

18 Fair Value Information and hierarchy cont/d

The following table shows a reconciliation of all movements in the fair value of financial instruments categorised within Level 3 from the start of the year to the end of the year 31 December 2012:

	Unlisted Equities	Long Term Bonds	Total
	US\$	US\$	US\$
Opening Balance	25,569,748	18,933,801	44,503,549
Gains and (Losses) recognised in profit and loss	30,183,451	1,819,634	32,003,085
Purchases	11,632,507	265,741	11,898,248
Sales	-	(2,398,860)	(2,398,860)
Transfers out of Level 3	-	-	-
Transfers into Level 3	-	-	-
Closing Balance	67,385,706	18,620,316	86,006,022

As at 31 December 2013, the Fund held investments in 8 private companies in the form of a combination of illiquid common stock, convertible bonds and a convertible loan which are categorized as level 3 investments under IFRS 13. The companies are valued by Deutsche Bank's Global Valuations Group (GVG), namely Anova Corporation, Green Feed Vietnam, Sacombank Securities JSC, SSgA Construction Real Estate, Swindon Limited, VTC Online JSC, Lam Son Sugar JSC, and Corbyns International.

As required under IFRS 13, the valuation spread for the purpose of presenting sensitivity analysis for each level 3 security has been determined based on what management consider are the reasonable possible alternative assumptions used as part of each valuation.

The valuation spread for each level 3 investment held as at 31 December 2013 is detailed below.

	Fair Value per the Financial Statements	Reasonably possible valuation spread for Level 3 Securities
Security	US\$	US\$
Collective Investment Schemes		
Equities		
Anova Corp	4,478,764	3,189,140 to 6,592,821
Green Feed Vietnam	18,251,244	13,128,822 to 24,345,234
Sacombank Securities JSC	-	n/a (see below) ⁽¹⁾
SSgA Construction Real Estate	621,516	377,940 to 878,939
Swindon Limited	5,782,596	n/a (see below) ⁽²⁾
VTC Online JSC	10,635,917	7,915,506 to 13,522,177
Long term Bonds		
Anova Corp	7,184,540	5,798,871 to 10,122,345
Green Feed Vietnam Corp	21,070,561	15,216,541 to 28,054,690
Lam Son Sugar JSC	218,382	199,944 to 248,390
Convertible Loans		
Corbyns International	12,810,000	12,078,000 to 13,542,000

⁽¹⁾Sacombank Securities JSC: the company's financial report for quarter 3, 2013 showed a nil book value. This holding was therefore valued at zero as at 31 December 2013. As such, any changes to comparables or to discounts as part of a sensitivity analysis would have no impact on the valuation.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

18 Fair Value Information and hierarchy cont/d

⁽²⁾Swindon Limited: the fair value of the underlying security, Hoan My Hospital is based on the expected minimum sale price for this security.

In relation to the securities valued by the Global Valuation Group (GVG), the valuation of common stock and convertible bonds involves the use of techniques such discounted cash flow (DCF) and a price earnings multiple (P/E) or a combination of both techniques depending on the circumstances.

The equities were valued by using a price-to-earnings (P/E) multiple approach and a DCF model. In the P/E multiple approach, a basket of market comparables was selected and the mean of its P/E multiple has been calculated. Hence, the value of the equities are determined by the product of the mean of P/E multiple and the actual earnings per share of the company. In the DCF forecast model, the equity value is derived from discounting forecast future cash flows of the company at the current market discount rate.

The convertible bond portions were valued using a convertible bond model sourced from the internal Deutsche Bank (DB) pricing library, DB Analytics. Inputs into the Convertible Bond model include implied volatility of conversion, the spot value of asset (the stock value), recovery rates, credit volatility and credit spreads for both day one and the current valuation date. The implied valuation date price of the bond is compared to the implied day one price of the bond to determine its relative movement. This movement is then translated into actual values of the investment.

Discussion of reasonably possible alternative assumptions to determine the valuation spread of each level 3 security is discussed separately below.

GreenFeed Vietnam Corp

1) Equity valuation (Fair Valuation at 31 December 2013 US\$18,251,244)

Spot value of assets represent the equity value and was valued using the average of the P/E multiple approach and the DCF model. In the base case of the P/E multiple approach, a basket of market comparables was selected and the mean of their P/Es calculated. The mean P/E multiple was then used to calculate the equity value of the company. In the sensitivity analysis, GVG flexed the P/E multiples by +/-5 x to calculate the equity value in the best/ worst case scenario. In the DCF forecast model, the key unobservable inputs are the discount rate, the terminal growth rate and comparable multiples. In the base case, the discount rate was set as 14%, the growth rate was 3% and the comparable multiples at 17x. In the sensitivity analysis, based on judgment, the following variances to the input variables have been applied:

Changes in the discount rate: +/- 2%

Changes in the growth rate : +/- 1%

Changes in the P/E multiple: +/- 5x

The resulting spread is a valuation range of between US\$ 13,128,822 to US\$ 24,345,234.

2) Convertible bond valuation (Fair Valuation at 31 December 2013 US\$ 21,070,561)

The convertible bond portion was valued using the internal DB pricing library, DB Analytics. Inputs into the Convertible Bond model include implied volatility of conversion, the spot value of asset (the stock value), recovery rates, credit volatility and credit spreads for both day one and the current valuations date.

Key unobservable inputs which have been changed in the sensitivity analysis are as follows:

Implied volatility of conversion represents the implied volatility of the embedded optionality in the structure. It is closely linked to the probability of IPO; i.e. a lower probability of IPO implies a lower volatility. In the base case, the implied volatility was set at 35%.

Changes in the implied volatility: +/- 10%

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

18 Fair Value Information and hierarchy cont/d

GreenFeed Vietnam Corp cont/d

2) Convertible bond valuation (Fair Valuation at 31 December 2013 US\$ 21,070,561) cont/d

This is based on the historical variance in the market comparable's equity volatilities. A study on the market comparables' equity volatility has been performed and the result shows that the gap between the highest/ lowest volatility and the mean volatility is ~10%. This represents our best estimates of the variation in implied volatility.

Changes in credit spreads: +/- 500bps

Credit spreads represents the pure credit risk of the company and in the base case which is estimated at 1983 bps. As the availability of credit spreads are harder to quantify due to a lack of observable points, we estimated the credit spreads based on the relative change in the macroeconomic conditions and the change in CDS spreads on 10 year Vietnam sovereign curve. GVG varied this input by 500bps based on judgment in the sensitivity analysis.

The resulting spread is a valuation range of between US\$ 15,216,541 to US\$28,054,690

VTC Online JSC

Equity valuation (Fair Valuation at 31 December 2013 US\$ 10,635,917)

Key unobservable inputs which have been changed in the sensitivity analysis are as follows:

Spot value of assets represent the equity value and was valued using the average of the P/E multiple approach and the DCF model. In the base case of the P/E multiple approach, a basket of market comparables was selected and the mean of their P/Es calculated. The mean P/E multiple was then used to calculate the equity value of the company. In the sensitivity analysis, GVG flexed the P/E multiples by +/-5 x to calculate the equity value in the best/ worst case scenario. In the DCF forecast model, the key unobservable inputs are the discount rate, the terminal growth rate and comparables multiples. In the base case, the discount rate was set as 18%, the growth rate was 3% and the comparables multiples at 16x. In the sensitivity analysis, based on judgment, the following variances to the input variables have been applied:

Changes in the discount rate: +/- 2%

Changes in the growth rate : +/- 1%

Changes in the P/E multiple: +/- 5x

The resulting spread was a valuation range of between US\$ 7,915,506 to US\$ 13,522,177.

Lam Son Sugar JSC

Convertible bond valuation (Fair Valuation at 31 December 2013 US\$ 218,382)

The convertible bond portion was valued using the internal DB pricing library, DB Analytics. Inputs into the Convertible Bond model include implied volatility of conversion, the spot value of asset (the stock value), recovery rates, credit volatility and credit spreads for both day one and the current valuations date.

Key inputs which have been changed in the sensitivity analysis are as follows:

Implied volatility of conversion represents the implied volatility of the embedded optionality in the structure. It is closely linked to the probability of IPO; i.e. a lower probability of IPO implies a lower volatility. In the base case, the implied volatility was set at 28%.

Changes in the implied volatility: +/- 15%

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

18 Fair Value Information and hierarchy cont/d

Lam Son Sugar JSC cont/d

Convertible bond valuation (Fair Valuation at 31 December 2013 US\$ 218,382) cont/d

This is based on the historical variance in the market comparable's equity volatilities. A study on the market comparables' equity volatility has been done and the result shows that the gap between the highest/ lowest volatility and the mean volatility is ~15%. This represents our best estimates of the variation in implied volatility.

Changes in credit spreads: +/- 500bps

In the base case, credit spreads was set at 1,386 bps by using credit spreads of similar companies in China and Vietnam. GVG varied this input by 500bps based on best judgment in the sensitivity analysis.

Changes in spot price: +/- 20%

In the base case, spot price is set as the market observable price on Lam Son Sugar (LSS) as it is listed. Being a key parameter driving the price of a convertible bond, we varied this input by +/- 20% with observations on the historical volatility of LSS which is at 34%, as implied by the 1 year historical volatility on Bloomberg.

The resulting spread was a valuation range of between US\$ 199,944 to US\$ 248,390.

Anova Corporation

Convertible bond valuation (Fair Valuation at 31 December 2013 US\$ 7,184,540)

Equity valuation (Fair Valuation at 31 December 2013 US\$ 4,478,764)

The convertible bond portion was valued using the internal DB pricing library, DB Analytics. Inputs into the Convertible Bond model include implied volatility of conversion, the spot value of asset (the stock value), recovery rates, credit volatility and credit spreads for both day one and the current valuation date.

Key unobservable inputs which have been changed in the sensitivity analysis are as follows:

Spot value of assets represent the equity value and was valued using the average of the P/E multiple approach and the DCF model. In the base case of the P/E multiple approach, a basket of market comparables was selected and the mean of their P/Es calculated. The mean P/E multiple was then used to calculate the equity value of the company. In the sensitivity analysis, GVG flexed the P/E multiples by +/- 5 x to calculate the equity value in the best/ worst case scenario. In the DCF forecast model, the key unobservable inputs are the discount rate, the terminal growth rate and comparables multiple. In the base case, the discount rate was set as 16%, the terminal growth rate was 11% and the comparables multiple at 16x. In the sensitivity analysis, based on judgment, the following variances to the input variables have been applied:

Changes in the discount rate: +/- 1%

Changes in the terminal growth rate : +/- 1%

Changes in the P/E multiple: +/- 5x

Implied volatility of conversion represents the implied volatility of the embedded optionality in the structure. It is closely linked to the probability of IPO; i.e. a lower probability of IPO implies a lower volatility. In the base case, the implied volatility was set at 29%. Credit spreads represents the pure credit risk of the company and in the base case, it was estimated at 1,954bps. As the availability of credit spreads are harder to quantify due to a lack of observable points, we estimated the credit spreads based on the relative change in the macroeconomic conditions by using the change in CDS spreads on 10 year Vietnam sovereign curve.

Changes in credit spreads: +/- 500bps

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

18 Fair Value Information and hierarchy cont/d

Anova Corporation cont/d

Convertible bond valuation (Fair Valuation at 31 December 2013 US\$ 7,184,540)

Equity valuation (Fair Valuation at 31 December 2013 US\$ 4,478,764)

This is based on the historical variance in the market comparable's equity volatilities. A study on the market comparables' equity volatility has been done and the result shows that the gap between the highest/ lowest volatility and the mean volatility is ~10%. This represents our best estimates of the variation in implied volatility.

Changes in the implied volatility: +/- 10%

The resulting spread for convertible bond is a valuation range of between US\$ 5,798,871 to US\$ 10,122,345 and the resulting spread for the equity is a valuation range of between US\$ 3,189,140 to US\$ 6,592,821.

SSgA Construction Real Estate

Equity valuation (Fair valuation at 31 December 2013 US\$ 621,516)

The method used for the valuation is the NAV model and P/E method.

In the base case of the P/E multiple approach, a basket of market comparables was selected and the mean of their P/Es calculated. The mean P/E multiple was then used to calculate the equity value of the company. In the sensitivity analysis, GVG flexed the P/E multiples by +/-5 x to calculate the equity value in the best/ worst case scenario.

In the NAV model, the current discount rate applied is 14%. We varied this input by 2% based on judgment in the sensitivity analysis. In addition, GVG utilized a base NAV discount of 65% and in the sensitivity analysis; the input is varied by 15% based on judgment.

The resulting spread was a valuation range of between US\$ 377,940 to US\$ 878,939.

Corbyns International

Convertible loan valuation (Fair valuation at 31 December 2013 US\$ 12,810,000)

A change in valuation methodology was initiated in quarter 2, 2013 for Corbyns from a Discounted Cash Flow (DCF) methodology to a loan valuation approach. As a result, GVG revised the type of input parameters used. Using the new valuation methodology, the key valuation input is the JACI Vietnam yield index (JACIVN).

The JACIVN index tracks returns of the Vietnam fixed rate dollar bond market. It tracks the total return for actively traded US-dollar denominated debt instruments in Vietnam.

Change in JACIVN Index: +/- 1.5%

The resulting spread was a valuation range of between US\$ 12,078,000 to US\$ 13,542,000.

For each class of assets and liabilities not measured at fair value in the Statement of Financial Position but for which fair value is disclosed, IFRS13 requires the Company to disclose the level within the fair value hierarchy which the fair value measurement would be categorised and a description of the valuation technique and inputs used in the technique. As this is a new requirement of IFRS13 no comparative disclosure is required in the year of initial application.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

18 Fair Value Information and hierarchy cont/d

Assets and liabilities not carried at fair value are carried at amortised cost; their carrying values are a reasonable approximation of fair value. These assets and liabilities are detailed in the following tables.

Fair value at 31 December 2013:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>
Assets:				
Trade and other receivables	-	9,153,517	-	9,153,517
Cash and cash equivalents	8,745,519	-	-	8,745,519
	<u>8,745,519</u>	<u>9,153,517</u>	<u>-</u>	<u>17,899,036</u>
Liabilities:				
Trade and other payables	-	(6,489,134)	-	(6,489,134)
	<u>8,745,519</u>	<u>2,664,383</u>	<u>-</u>	<u>11,409,902</u>

19 Segmental Reporting

IFRS 8 'Operating Segments' requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes.

The Board of Directors is charged with the overall governance of the Company in accordance with the Prospectus and the Company's Articles of Association and Memorandum of Association. The Board has appointed Deutsche Asset Management (Asia) Ltd as the Fund Manager. Under the terms of this appointment, Deutsche Asset Management (Asia) Ltd has delegated the fund management activities to Duxton Asset Management Pte Ltd. The Board of Directors, Deutsche Asset Management (Asia) Ltd and Duxton Asset Management Pte Ltd are considered the Chief Operating Decision Maker (CODM) for the purposes of IFRS 8.

Duxton Asset Management Pte Ltd is responsible for decisions in relation to both asset allocation, asset selection and any sub manager delegation. Duxton Asset Management Pte Ltd has been given authority to act on behalf of the Company, including the authority to purchase and sell securities and other investments on behalf of the Company and to carry out other actions as appropriate to give effect thereto. Any changes to the investment strategy outside of the fund prospectus must be approved by the Board and then the Company's shareholders in accordance with the terms of the prospectus and the Company's Articles.

The Group operates a single operating segment under IFRS 8 with all investment cash and investment holdings being managed at a Group level. Investment cash is allocated to Duxton Asset Management Pte Ltd who has full responsibility for the investment of cash for the Group. There are four separate asset classes namely listed securities, unlisted securities, fixed income securities and collective investment schemes. However, the allocation of resources is based on an analysis of future market expectations by Duxton Asset Management Pte Ltd rather than the past performance of the asset classes. Duxton Asset Management Pte Ltd can further delegate the investment management responsibility for an amount of investment cash to a sub investment manager if required.

As at 31 December 2013, the Group had investments managed by Duxton Asset Management Pte Ltd and PXP Vietnam Asset Management Limited. PXP Vietnam Asset Management Limited was appointed by Duxton Asset Management Pte Ltd to manage a portion of investment cash during the period. Notwithstanding the fact that a performance fee is payable separately to Duxton Asset Management Pte Ltd and PXP Vietnam Asset Management Limited, the decision on the allocation of resources is not based on their individual performance.

The Company is incorporated in the Cayman Islands and its primary objective is to invest directly or indirectly in companies that do some or all of their business in Vietnam. Some of the Group's investments are held in countries other than Vietnam such as United Kingdom, Germany, Hong Kong, Netherlands and the United States of America which give exposure to Vietnam. All of the Company's income is from investments in these entities.

DWS VIETNAM FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

19 Segmental Reporting cont/d

The investments are allocated across four separate asset types namely collective investment schemes, listed securities, unlisted securities and fixed income securities which are separately identified within the Consolidated Portfolio of Investments and the income earned from these investments is reflected in the Consolidated statement of comprehensive income. The Company has a highly diversified portfolio of investments and no single investment accounts for more than 13.72% of the Company's net assets.

20 Committed Deals at 31 December 2013

There were no commitments as at 31 December 2013 and 31 December 2012.

21 Significant events during the year

Hephaestus Limited was incorporated on 14 January 2013 as an exempted company with limited liability in the Cayman Islands. In February 2013, the Fund invested in Corbyns International Limited and Hephaestus Limited was used as the Special Purpose Vehicle to hold this investment.

On 31 January 2013 Karim Ghannam (an employee of Deutsch Bank Group) was appointed as a non-executive director of DWS Vietnam Fund Limited.

On 31 January 2013 Tran Van Tri (an employee of the Deutsche Bank Group) was appointed as a non-executive director of DWS Vietnam Fund Limited.

In April 2013, the Fund completed the exit of its entire 11.9% stake in Prime Group Joint Stock Company, the largest ceramic tile manufacturer in Vietnam, via a trade sale to SCG Building Materials Co., Ltd. Kitchener Limited, the Special Purpose Vehicle incorporated in Hong Kong which was used to hold Prime Group, was sold to the buyer.

On 31 May 2013 Karim Ghannam (an employee of the Deutsche Bank Group) resigned as a non-executive director of DWS Vietnam Fund Limited.

On 31 May 2013 Rosanna Mak Tsui Shan (an employee of the Deutsche Bank Group) was appointed as a non-executive director of DWS Vietnam Fund Limited.

In August 2013 the Fund, through Beira Limited, a wholly owned subsidiary of the Company invested USD 1.2 million in NBB Investment Corporation's rights issue to subscribe to additional ordinary listed shares. The Fund had also invested in convertible preference shares of NBB Investment Corporation in December 2010. In October and November 2013, the Fund received the first instalment of USD 1.48 million from NBB Investment Corporation for financial underperformance per the terms of the Agreement entered into with NBB Investment Corporation in December 2010. The Fund is due a total of USD 2.96 million per the terms of the Agreement, of which USD 1.48 million was outstanding at year end 31 December 2013. In December 2013, the Fund's preference shares were converted into ordinary listed shares.

22 Significant events after the year end

On 17 April 2014 Rosanna Mak Tsui Shan resigned as a non-executive director of DWS Vietnam Fund Limited.

23 Approval of the financial statements

The accounts were approved by the Board of Directors on 24 April 2014.

DWS VIETNAM FUND LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE COMPANY FINANCIAL STATEMENTS

The directors are responsible for preparing the company's financial statements, in accordance with applicable law and regulations.

Company law requires the directors to prepare company financial statements for each financial year. Under that law the directors have elected to prepare the company financial statements in accordance with Generally Accepted Accounting Practice in Ireland, comprising applicable law and the accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

The company's financial statements are required by law to give a true and fair view of the state of affairs of the company as at the year end.

In preparing the company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the company financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Under applicable law and the requirements of the Listing Rules issued by the Irish Stock Exchange and the Companies Act, the directors are also responsible for preparing a Management Report. In particular, in accordance with the Transparency Directive (2004/109/EC) Regulations 2007 (S.I. No. 277 of 2007), (the "Regulations"), the directors are required to include in this report a fair review of the business and a description of the principal risks and uncertainties facing the company and a responsibility statement relating to these and other matters, included below. The directors consider that the information required to be included in their Management Report is included in the Investment Manager's Report on page 8.

The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the company financial statements comply with the Companies Acts 1963 to 2013. They are also responsible for safeguarding the assets of the company. They have general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities.

Responsibility Statement, in accordance with the Transparency Regulations

Each of the directors, whose names and functions are listed on page 71 in the 'Other Information' section of this report confirm that, to the best of each person's knowledge and belief:

- the company financial statements, prepared in accordance with Generally Accepted Accounting Practices in Ireland, give a true and fair view of the assets, liabilities and financial position of the company at 31 December 2013.

On behalf of the Board of Directors

Director

Director

Date: 24 April 2014

DWS VIETNAM FUND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DWS VIETNAM FUND LIMITED

We have audited the financial statements of DWS Fund Limited (the "Company") for the year ended 31 December 2013 which comprise the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Policies in Ireland).

This report is made solely to the company's members, as a body. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The Directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Ethical Standards for Auditors issued by the Auditing Practices Board.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practices in Ireland of the state of the company's affairs as at 31 December 2013; and
- the financial statements have been properly prepared in accordance with the Companies Acts, 1963 to 2013.

Matters on which we are required to report by the Companies Acts 1963 to 2013.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the financial statements are in agreement with the books of account and, in our opinion proper books of account have been kept by the company.

In our opinion the information given in the directors' report is consistent with the financial statements.

DWS VIETNAM FUND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DWS VIETNAM FUND LIMITED **CONT/D**

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2013, which require us to report to you if, in our opinion, the disclosures of Directors' remuneration and transactions specified by law are not made.

Niamh Marshall, for and on behalf of KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
International Financial Services Centre
Dublin 1

25 April 2014

DWS VIETNAM FUND LIMITED

Company Balance Sheet as at 31 December 2013

	Note	31/12/2013 US\$	31/12/2012 US\$
Fixed assets			
Financial fixed assets	2	314,713,764	246,085,199
Total fixed assets		314,713,764	246,085,199
Current assets			
Cash and cash equivalents		787,545	2,616,867
Other receivables		2,738,011	6,263
Total current assets		3,525,556	2,623,130
Current liabilities			
Investment management fees	6	(969,415)	(410,833)
Performance fees	6	(5,163,857)	(3,603,422)
Administration fees	6	(93,340)	(25,451)
Audit fees		(40,000)	(40,000)
Directors fees	7	-	(6,667)
Custody fees	6	(79,484)	(19,307)
Other		(2,750)	(917)
Total current liabilities		(6,348,846)	(4,106,597)
Net current liabilities		(2,823,290)	(1,483,467)
Non-current liabilities			
Deferred taxation		(7,467,731)	-
Total assets less liabilities		304,422,743	244,601,732
Shareholders' equity			
Share capital	3	4,869,314	4,869,314
Share premium	4	484,366,127	484,366,127
Profit and loss account	5	(184,812,698)	(244,633,709)
Total shareholders' equity		304,422,743	244,601,732

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

On behalf of the Board of Directors

Director

Director

Date: 24 April 2014

DWS VIETNAM FUND LIMITED

NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

Significant accounting policies

(a) Basis of preparation

In accordance with the requirements of the Transparency Directive (2004/109/EC) Regulations 2007, (S.I. No. 277 of 2007), (the “Regulations”) the company is required to present along with the consolidated financial statements, the financial statements of the parent company prepared in accordance with the national law of the host EU Member State, Ireland.

These parent company financial statements are prepared in accordance with Generally Accepted Accounting Practice in Ireland and in accordance with the Companies Acts, 1963 to 2013, and all Regulations to be construed as one with those.

(b) Cash flow statement

The Company has taken advantage of the exemption under FRS 1 not to produce a cash flow statement as one is prepared and published for the consolidated financial statements.

(c) Profit for the year

In publishing the parent company financial statements together with the Group financial statements, the Company has taken advantage of the exemptions in Section 148(8) of the Companies Act, 1963 not to present its parent company profit and loss account, statement of realised gains and losses and related notes that form part of these approved financial statements.

(d) Expenses

All expenses, including management fees and custodian fees are recognised in the profit and loss account on an accruals basis.

(e) Cash and cash equivalents

Cash comprises current deposits with banks. Cash and cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents are valued at their face value.

(f) Financial fixed assets

Financial fixed assets relate to investments in subsidiary companies carried at the Directors’ estimate of fair value. Revaluation gains are recognized in the statement of total recognised gains and losses except to the extent that they reverse revaluation losses that were previously charged to the profit and loss account. Revaluation losses which represent a clear consumption of economic benefit inherent in the asset are recognised in the profit and loss account.

(g) Taxation

There are no taxes on income or gains in the Cayman Islands and the Group has received an undertaking from the Governor in Council of the Cayman Islands, under the Tax Concessions Law (1999 Revision), exempting it from all local income, profits and capital taxes until 26 September 2026. Accordingly, no provision for Cayman income taxes is included in these financial statements.

DWS VIETNAM FUND LIMITED

NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

2. Financial fixed assets

The Company holds all of its investments through wholly owned subsidiary companies which are special purpose holding companies incorporated outside of Vietnam. The Company has 10 wholly-owned special purpose companies, incorporated as exempted companies with limited liability in the Cayman Islands having the purpose of acting as trading conduits of the Company for the sole purpose of opening and operating trading accounts with brokers in Vietnam. These special purpose companies have the following names:

Epsom Limited
Lionel Hill Limited
Beira Limited
Prime Limited
Greystanes Limited
Siglap Limited
Teignmouth Limited
Tewkesbury Limited
Kallang Limited
Hephaestus Limited

The Company holds 1 share in each subsidiary company with a par value US\$ 1.00 per share being the only shares issued by each subsidiary company. As at the year end, all of these special purpose Companies were in operation.

Included in the financial fixed assets is US\$18,713,347 (2012: US\$9,523,750) representing the market value of DWS Vietnam Fund Ltd. shares purchased by Siglap Ltd., Beira Ltd. and Epsom Ltd and held as the year end.

Movement of Financial Fixed Assets:

	2013 US\$	2012 US\$
Balance at 1 January	246,085,199	193,722,967
Net gains on financial fixed assets	68,628,565	52,362,232
Balance at 31 December	314,713,764	246,085,199

3. Share capital

	2013 US\$	2012 US\$
Balance at 1 January and 31 December	4,869,314	4,869,314

On incorporation of the Company on 13 September 2006, the authorised share capital was US\$500,000,000 made up of 500,000,000 shares of a par value of US\$1.00 each, having the rights set out in the Articles. By virtue of an Ordinary Resolution of the Company passed on 19 December 2008 and with the sanction of an Order of the Grand Court of the Cayman Islands dated 31 July 2009, the authorised share capital was amended to US\$10,000,000 made up of 1,000,000,000 shares of a par value of US\$0.01 each. Consequently, and by virtue of a Special Resolution of the Company passed on 19 December 2008 and with the sanction of an Order of the Grand Court of the Cayman Islands dated 31 July 2009, the issued share capital of the Company was reduced from US\$486,931,392 made up of 486,931,392 shares of US\$ 1.00 each, to US\$4,869,314 made up of 486,931,392 shares of US\$0.01 each. Therefore, the number of shares in issue has not changed since the incorporation of the Company.

DWS VIETNAM FUND LIMITED

NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 CONT/D

3. Share Capital cont/d

The Shares constitute the only class of shares in the Company. The Company has originally issued one subscriber share which was subsequently repurchased by the Company at par. All Shares have the same rights, whether in regard to voting, dividends, return of share capital and otherwise. The company's capital management policy is disclosed in note 11 to the consolidated financial statements.

4. Share premium

	2013 US\$	2012 US\$
Balance at 1 January and 31 December*	484,366,127	484,366,127

*The Company Share Premium has not been shown net of the cost of DWS Vietnam Fund Ltd. shares purchased by Siglap Ltd., Beira Ltd. and Epsom Ltd. which amount to US\$13,063,925 (2012: US\$13,063,925). These are treated as treasury shares in the Consolidated Statement of Changes in Equity.

5. Profit and loss account

	2013 US\$	2012 US\$
Balance at 1 January	(244,633,709)	(295,548,244)
Profit for the year	59,821,011	50,914,535
Balance at 31 December	<u>(184,812,698)</u>	<u>(244,633,709)</u>

6. Significant agreements

Refer to note 14 in the consolidated financial statements for details in regards to significant agreements in place as of 31 December 2013.

7. Directors' remuneration

Refer to note 7 in the consolidated financial statements for details in relation to Directors' remuneration for the year ended 31 December 2013.

8. Related party transactions

Refer to note 16 in the consolidated financial statements for details of related party transactions in the year ended 31 December 2013.

9. Financial instruments

All of the investing activities of the Company are carried out through the subsidiary companies which are listed in note 1 of the company financial statements above. Details regarding the financial investments and related risks are highlighted in note 17 of the consolidated financial statements.

DWS VIETNAM FUND LIMITED

NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 **CONT/D**

10. Significant events during the year

Hephaestus Limited was incorporated on 14 January 2013 as an exempted company with limited liability in the Cayman Islands having the purpose of acting as a trading conduit of the Company for the sole purpose of opening and operating trading accounts with brokers in Vietnam. In February 2013, the Group invested in Corbyns International Limited and Hephaestus Limited was used as the Special Purpose Vehicle to hold this investment.

On 31 January 2013 Tran Van Tri (an employee of the Deutsche Bank Group) was appointed as a non-executive director of DWS Vietnam Fund Limited.

On 31 January 2013 Karim Ghannam (an employee of Deutsche Bank Group) was appointed as a non-executive director of DWS Vietnam Fund Limited.

In April 2013, the Group completed the exit of its entire 11.9% stake in Prime Group Joint Stock Company, the largest ceramic tile manufacturer in Vietnam, via a trade sale to SCG Building Materials Co., Ltd. Kitchener Limited, the Special Purpose Vehicle incorporated in Hong Kong which was used to hold Prime Group, was sold to the buyer.

On 31 May 2013 Karim Ghannam (an employee of the Deutsche Bank Group) resigned as a non-executive director of DWS Vietnam Fund Limited.

On 31 May 2013 Rosanna Mak Tsui Shan (an employee of the Deutsche Bank Group) was appointed as a non-executive director of DWS Vietnam Fund Limited.

11. Significant events after the year end

On 17 April 2014 Rosanna Mak Tsui Shan resigned as a non-executive director of DWS Vietnam Fund Limited.

12. Approval of the financial statements

The accounts were approved by the Board of Directors on 24 April 2014.

DWS VIETNAM FUND LIMITED

OTHER INFORMATION

Registered Office

Second Floor Zephyr House
122 Mary Street
PO Box 709
George Town
Grand Cayman KY1-1107
Cayman Islands

Directors

Stephen Duerden
Wade Kenny (independent)
Karim Ghannam (appointed 31 January 2013) (resigned 31 May 2013)
Tran Van Tri (appointed 31 January 2013)
Rosanna Mak Tsui Shan (appointed 31 May 2013) (resigned 17 April 2014)
All Directors are non-executive.

Investment Manager

Deutsche Asset Management (Asia) Ltd.,
One Raffles Quay,
#17-10,
Singapore 048583

Sub-Investment Manager

Duxton Asset Management Pte Ltd.,
40 Duxton Hill Level 4,
Singapore 089618

Custodian

State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay,
Dublin 2
Ireland

Administrator, Registrar and Transfer Agent

State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay,
Dublin 2
Ireland

Placing Agent

Deutsche Asset Management (Asia) Limited
One Raffles Quay,
#17-10,
Singapore 048583

Legal Advisor to the Company on Vietnamese Law

Fresh fields Bruckhaus Deringer
Saigon Tower, Suite 1108
29 Le Duan Boulevard
District 1, Ho Chi Minh City
Vietnam

DWS VIETNAM FUND LIMITED

OTHER INFORMATION CONT/D

Legal Advisor to the Company on Cayman Islands Law

Charles Adams Ritchie & Duckworth
Attorneys-at-Law
Zephyr House
122 Mary Street
PO Box 709
Grand Cayman KY1-1107
Cayman Islands
British West Indies

Corporate Secretary

CARD Corporate Services Limited
Zephyr House
122 Mary Street
PO Box 709
George Town
Grand Cayman KY1-1107
Cayman Islands

Auditors

KPMG
Chartered Accountants
1 Harbourmaster Place
International Financial Services Centre
Dublin 1
Ireland

Irish Listing Agent and Irish Paying Agent

NCB Stockbrokers Limited
3 George's Dock
International Financial Services Centre
Dublin 1
Ireland

Dealing Enquiries

Deutsche Asset Management (Asia) Limited
One Raffles Quay,
#17-10,
Singapore 048583

DWS VIETNAM FUND LIMITED

Supplemental Unaudited Information to the Consolidated Financial Statements

Reconciliation to dealing net asset value (unaudited)	Note	31/12/2013	31/12/2012
Net asset value per IFRS financial statements		US\$285,709,394	US\$235,077,982
Adjustments:			
Pricing related *		-	US\$1,772,202
Value of shares invested in DWS Vietnam Fund **		US\$18,713,347	US\$9,523,750
Deferred taxation	(15)	US\$7,467,731	-
Net asset value per dealing NAV		US\$311,890,472	US\$246,373,934

* The pricing related adjustment for comparative periods represents the difference between (i) the close of business dealing net asset value at last traded prices, per the prospectus for dealing purposes and (ii) the close of business net asset value at bid prices as required by IAS 39 for financial statement purposes. As detailed in Note 2(b), following adoption of IFRS 13 by the Group effective 1 January 2013, for the preparation of these financial statements the Group has changed its valuation inputs to be consistent with the inputs prescribed in the Prospectus for the purpose of determining net asset value and consequently there is no pricing related adjustment as at 31 December 2013.

**Market value of 40,100,000 DWS Vietnam Fund Ltd. shares purchased by Siglap Ltd., Beira Ltd. and Epsom Ltd. wholly owned subsidiary companies that are not included as a financial asset for IFRS financial statement purposes.

Net Asset Value per IFRS financial statements	31/12/2013	31/12/2012	31/12/2011
Net asset value	US\$285,709,394	US\$235,077,982	US\$187,575,020
Number of Shares in Issue (excluding own shares purchased)	446,831,392	446,831,392	457,356,392
Net Asset Value per Share (per IFRS financial statements)	US\$0.6394	US\$0.5261	US\$0.4101

Seasonal or cyclical changes

The Group is not subject to seasonal or cyclical changes.

Exchange rates

The year end exchange rates (to 1US\$) are as follows:

		31/12/2013	31/12/2012
EUR	Euro	0.7257	0.7585
HKD	Hong Kong Dollar	7.7538	7.7508
SGD	Singapore Dollar	1.2626	1.2215
TWD	Taiwan Dollar	29.8035	29.0390
VND	Vietnam Dong	21,095.0000	20,840.0000

