

DWS Vietnam Fund

Comments made by the investment manager in the conference call of 31 December 2015

Company performance:

- The NAV per share of the Company as of the end of **FY 2014** was USD 0.7075, **up 10.46%** over the year.
- This performance compares favourably to the VN Index (the "**Index**"), which was up 6.6% over the same period, in USD terms.
- The Company has similarly outperformed the Index over a 2-year, 3-year, and 5-year period
- In the **first 11 months of 2015**, the Company's NAV per share has risen by **a further 4.1%**, compared to Index which was down -0.16% over the same period in USD terms.
- The most recent published NAV per share of the Company stood at **\$0.7365** as of the end of **November 2015**.
- The share price as quoted in the OTC market reflects a discount to NAV of roughly **-19%** at the end of November 2015. This is a strong improvement from **-28%** one year earlier, but still unreasonably large.
- The Manager has continued to repurchase shares in the OTC market during recent months, following cancellation of shares earlier this year.

Key developments in Vietnam markets in 2014:

- The Vietnamese economy was robust, posting 6% growth in GDP, the highest in four years
- Inflation grew by only 1.8%, in part due to the drop in fuel prices towards the end of the year.
- Trade surplus reached a record high of USD 2 billion in 2014

Company developments during 2014 – key transactions

- Exposure to unlisted equities was 29% at the end of 2014. This segment of the portfolio generated a 32% gross return during the 12 month period, positively impact by revaluations and exits during the year.
- During the year, the Company disposed of stakes in:
 - An Giang Plant Protection via a secondary block sale
 - Vicostone via a secondary block sale
 - the remaining stake in Hoan My Hospital via the put option

Market outlook as of December 2015:

- Since the last investor conference call in September, the Vietnamese stock markets have been volatile. The Index rose by 9.4%, before falling back 8.4% in early December, and is currently at the same level where it began in September.
- The initial gains were seen driven by large cap stocks such as Vinamilk and FPT following the government's announcement on its potential divestment of these stocks, as well as the conclusion of the Trans Pacific Partnership negotiations; there are still a number of steps in the negotiation before the TPP is put into practice. The market subsequently pulled back after a reassessment of expectations as well as global macroeconomic developments impacting emerging markets more generally.
- Relative to the other economies in South East Asia, Vietnam currently stands out as a country with strong economic growth and controlled inflation, whilst being less likely to be affected by China's economic slowdown and the Fed's interest rate hike.

- With the conclusion of the TPP agreement, Vietnam is on a track for both accelerated growth and greater global economic integration going forward. Although the agreement remains to be finalized, sectors that would benefit from the agreement include textiles, footwear, and wooden furniture. The World Bank estimates that the TPP deal would contribute as much as 8% to Vietnam's GDP.

Questions from investors	Response from the manager
<p>What is the plan of action leading up to the Company continuation vote in 2016? Will investors be able to redeem shares?</p>	<p>As discussed in previous Company investor conference calls, the Delegated Investment Manager and the Directors are cognisant of the Company continuation vote in 2016, and are managing the Company with the objective that there would be no illiquid positions owned by the Company by the end of 2016.</p> <p>In early 2016, it is expected that the Delegated Investment Manager will have discussions with the Board on how to best prepare for the Company going forward.</p>