



abrdn Asia-Pacific Income Fund VCC (FAP)

Semi-Annual Report
April 30, 2025

aberndeeninvestments.com

Interim Management Report of Fund Performance (unaudited)

As at April 30, 2025

This interim management report of fund performance contains financial highlights of abrdn Asia-Pacific Income Fund VCC (the "Company"). This report should be read in conjunction with the complete interim financial statements that are included on pages 15-37. You may request copies of the interim or annual financial statements at no cost, by calling 1-800-992-6341, by writing to us at c/o abrdn Inc., 1900 Market Street, Suite 200, Philadelphia, PA 19103, USA or by visiting the Company's website at [https://](https://www.aberdeeninvestments.com/en-ca/investor)

www.aberdeeninvestments.com/en-ca/investor or under the Company's profile on SEDAR+ at www.sedarplus.ca.

Security holders may also contact us using one of these methods to request a copy of the Company's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

VCC Constitution Amendment Approved at Annual General and Special Meeting of Shareholders on March 14, 2025

Shareholders approved amendments to the VCC Constitution to (i) eliminate the current 10% cap on the annual redemption so that shareholders would be permitted to tender for redemption, when redemption conditions are met, up to 100% of the outstanding shares commencing in 2026 (the "Amended Redemption Policy"); and (ii) provide the Board of the Company, abrdn Canada Limited and abrdn Asia Limited with the discretion to terminate and wind-up the Company if, in the opinion of the Board, it is no longer economically practical to continue the Company or it would be in the best interest of the Company and the shareholders to terminate the Company.

The redemption conditions remain unchanged, so that an annual redemption would be offered if the volume weighted average trading price of the Shares on the Toronto Stock Exchange during the 12 month period ending on the last Business Day of December of each year (the "Trading Discount Determination Date") represents a discount to the average daily net asset value per Share during such period that is greater than the Trading Discount Redemption Trigger Percentage (currently 12%, as set out in the Company's secondary

by-laws, the "Trading Discount Redemption Trigger"). As of April 30, 2025, the volume weighted average trading discount was 10.928%.

In light of this approval and the possibility that significant redemptions could result in the Company no longer being economically viable, the Board may determine, commencing in 2026, following the announcement of an annual redemption, that it is in the best interest of the Company and its shareholders to terminate the Company. Factors that the Board may take into consideration at this time may include the liquidity of the shares and higher share price volatility following a significant redemption. If the Board makes such a determination, it has the discretion to terminate the Company, subject to providing the required notice by way of a press release and compliance with all relevant laws (including, without limitation, the VCC Act). Consequently, if a notice of termination has been provided by way of a press release issued not less than 15 days prior to the Redemption Date, the annual redemption will not proceed and the Company will proceed with a complete liquidation.

Management Discussion of Fund Performance (unaudited)

Investment Objective and Strategies

The investment objective of the Company is to obtain current income. The Company may also achieve incidental capital appreciation. The Company seeks to obtain these objectives primarily from investment in long-term debt securities. The Company may invest up to 100% of its total assets in Asia-Pacific debt securities.

Risks

The Company has multiple risks associated with investing in long-term debt securities of Asia-Pacific and emerging market entities, including market, credit, currency, political and interest rate risks. Some or all of these risks may contribute to the day-to-day changes in the value of the

Management Discussion of Fund Performance (unaudited) (continued)

securities held by the Company and in the net asset value ("NAV") of the Company. However, abrdn Asia Limited ("abrdn Asia"), investment manager to the Company, seeks to mitigate some of these risks by diversifying the Company's holdings across different countries, currencies and industry sectors.

Interest Rate Risk Exposure

By virtue of its fixed-income investment strategy, substantially all of the Company's net assets are exposed to interest rate risk. Interest rate risk is the risk that either the fair value of the Company's financial instruments or cash flows relating to its financial instruments will be impacted by changes in market interest rates. Generally speaking, a rise in market interest rates will have the effect of lowering the fair value of existing fixed-income securities, while a reduction in market interest rates will have the opposite effect. As at April 30, 2025, if the average interest rates in the portfolio had been raised or lowered by 1%, net assets could possibly have decreased or increased, respectively, by approximately C\$2.63 million.

The following table shows the maturity composition of the Company's investments as at April 30, 2025, as compared with the fiscal year ended October 31, 2024 and the six-months ended April 30, 2024:

Date	0 to 5 Years %	5 to 10 Years %	10 Years & Over %
April 30, 2025*	48.1	34.9	17.0
October 31, 2024	47.9	29.1	23.0
April 30, 2024*	49.8	32.3	17.9

* Unaudited

Exchange Value of the Canadian Dollar

Given that a substantial proportion of the Company's assets are invested in securities denominated in foreign currencies, changes in the value of the Canadian Dollar against these foreign currencies can have a significant impact on performance over time. As at April 30, 2025, investments in assets denominated in Asian currencies and U.S. Dollars represented the largest currency holdings in the Company's assets. Generally speaking, a 1% rise or fall in the C\$ exchange rate against associated foreign currencies as of April 30, 2025 would result in a decrease or increase of the Company's NAV of approximately C\$1.34 million respectively. For further information on the composition of the various currencies at the end of the period under review, please refer to the table on page 15 under "Currency Composition".

Market Discount Risk

Being a closed-end investment fund, the Company's ordinary shares ("Shares") may trade at a premium or discount to the NAV. As a result, the return experienced by a holder of Shares (market return) may often differ from the underlying performance of the Company (portfolio performance). The Share price is established by competitive markets, which reflect the buying demand and the selling supply of shares. Factors which are thought to influence the Company's Share price, and, therefore, discounts and premiums, include a fund's relative performance, the liquidity of a fund's securities, whether a fund's securities are redeemable based on net asset value, dividend yield, the use of a managed distribution policy, confidence in a fund's manager, investors' perceptions and expectations regarding the outlook of the countries/sectors/markets where a fund invests.

Throughout the six-month period ended April 30, 2025, the Company's Shares traded within a range of a discount of -6.19% to -16.22%, ending the period at -8.04%.

Liquidity Risk

The Company faces the risk of illiquidity in its investments in lower-rated debt securities and local currency Asia-Pacific debt securities. The ability to hedge risk and transact at low costs in these markets is lower than the more developed markets and is subject to sudden shifts in market liquidity.

Counterparty Risk

The Company also faces counterparty risk with regard to interest rate and foreign exchange derivative transactions in all markets. Additional risk factors relating to the Company are included in the Company's Annual Information Form, which is filed under the Company's profile on SEDAR+ at www.sedarplus.ca.

Results of Operations

Net Asset Value Performance

With regard to the financial performance for the review period, the NAV return for the six-month period ended April 30, 2025 was -1.07%, assuming reinvestment of dividends, and 6.36% per annum, assuming reinvestment of dividends, since the Company's inception. On April 30, 2025, the Company's Share price was C\$2.86 which represented a discount of 8.04% to the NAV per Share of C\$3.11. Please see the "Market Review" on page 4 and Past Performance on page 11 for further information.

Management Discussion of Fund Performance (unaudited) (continued)

Distributions

For the six-months ended April 30, 2025, the Company paid a total of C\$0.105 per Share in distributions. Based on the Share price of C\$2.86 on April 30, 2025, the Company's annualized cash distribution rate for the six-months ended April 30, 2025 was 7.3%.

On May 9, 2025 and June 10, 2025, the Company announced that it will pay on May 30, 2025 and June 30, 2025, respectively, a distribution of C\$0.0175 per Share to all holders of Shares of record as of May 22, 2025 and June 23, 2025, respectively.

The Dividend Policy of the Board is to maintain a stable monthly distribution. To achieve a stable monthly distribution at an appropriate level, distributions are made out of Company earnings, supplemented with capital as required. The full amount of the distribution is treated as foreign income for Canadian tax purposes.

The Board intends to review the Dividend Policy and current monthly distribution rate on a semi-annual basis, unless market conditions require an earlier evaluation. abrdn Asia will provide the Board with an analysis and recommendation to consider as part of the Board's review of the Dividend Policy.

Leverage Facility

The Company was party to a revolving credit loan facility with BNP Paribas (the "BNP Facility"), which was amended and restated on November 13, 2024 (as further amended, the "A&R BNP Facility"). The A&R BNP Facility has a scheduled maturity date of November 12, 2025, and the total amount of permitted borrowing under the A&R BNP Facility is US\$45,000,000. During the six-month period, the Company paid down a net amount of US\$1,500,000. The Company's outstanding balance on the A&R BNP Facility as at April 30, 2025 was US \$32,600,000 (see Bank Loan on Statements of Financial Position), which represented 43.5% of the NAV of the Company on April 30, 2025. The A&R BNP Facility was the only source of investment leverage used by the Company during the reporting period covered by the financial statements. The Company used futures, forwards and swaps during the reporting period covered by the financial statements, but such derivative instruments were used for hedging purposes only. The leverage is currently used with the intent of enhancing returns by borrowing at interest rates that are anticipated to be lower than relatively higher yields of the fixed income securities in which the Company invests. The Company is accruing the interest daily on the A&R BNP Facility. The total accrued expense as of the six-month period end is included in the expense section of the Statement of Comprehensive Income under "Interest expense."

The A&R BNP Facility includes usual and customary covenants for this type of facility. These covenants impose on the Company asset coverage requirements, fund composition requirements and limits on certain investments. The covenants or guidelines could impede abrdn Asia from fully managing the Company's portfolio in accordance with

the Company's investment objective and by-laws. The Company is currently in compliance with all covenants under the A&R BNP Facility.

These covenants also include limits on the Company's ability to (i) create, incur, assume or permit to exist certain debt except for certain specified types of debt, (ii) issue any Senior Security (as defined in the A&R BNP Facility) or forms of indebtedness, (iii) incur liens, (iv) change its investment objective or fundamental investment restrictions, or (v) amend the Company's organisational documents in a manner which could adversely affect the rights and remedies of the lender, or change its fiscal year if such a change would adversely affect the rights of the lender. In addition, the A&R BNP Facility does not permit the Company's adjusted asset coverage ratio (as defined in the A&R BNP Facility) to fall below 300% at any time or the NAV to be less than US\$70,000,000. Furthermore, noncompliance with such covenants or the occurrence of other events could lead to the cancellation of the A&R BNP Facility. These other events include, but are not limited to, the following:

- non-payment by the Company of certain obligations to the lender and other parties;
- involuntary or voluntary liquidation, reorganisation or other debt relief proceedings commenced against or by the Company;
- abrdn Investments Limited ceases to be the sub-investment advisor; abrdn Asia or an affiliate ceases to be the investment manager to the Company; State Street Trust Company Canada ceases to be the Company's custodian; or abrdn Canada Limited ("abrdn Canada") or an affiliate ceases to be the Company's administrator; State Street Bank and Trust Company, Singapore Branch, or an affiliate ceases to be the Singapore administrator; KPMG LLP or an affiliate ceases to be the independent auditors; and
- abrdn Asia ceases to be owned or controlled by abrdn Holdings Limited ("abrdn Holdings").

The A&R BNP Facility permits, in certain circumstances, the Company to cure non-compliance or seek waivers or approvals from the lender. However, in the event that the facility is cancelled or is not available for renewal, the Company may not be able to find other financing on acceptable terms, if at all. Should the Company be unable to find other sources for financing it would be forced to "de-lever" by making significant sales of its portfolio investments. De-leveraging could involve the sales of some securities under unfavorable market conditions in order to repay the lender. This could result in the portfolio's securities being sold for less than their expected value. Furthermore, these sales may realise capital gains.

Interest Rate Swaps

As at April 30, 2025, the Company held interest rate swap agreements with an aggregate notional amount of US \$32.6 million which represented almost 100% of the US \$32.6 million outstanding under the facility at such time. Under the terms of the interest rate

Management Discussion of Fund Performance (unaudited) (continued)

swap agreements in effect as of the six-month period end, the Company received a floating rate of interest and pays fixed rates of interest for the terms and based upon the notional amounts set forth below:

Remaining Term as of April 30, 2025	Receive/(Pay) Floating Rate	Amount (in US\$ million)	Fixed Rate Payable (%)
58 months	Receive	\$ 3.1	3.47%
82 months	Receive	\$10.0	3.38%
94 months	Receive	\$10.0	3.37%
95 months	Receive	\$ 9.5	3.14%

Market Disruption and Geopolitical Risk

The increasing interconnectivity between global economies and financial markets increases the likelihood that events or conditions in one region or financial market may adversely impact issuers in a different country, region or financial market. The occurrence of global events similar to those in recent years, such as terrorist attacks around the world, natural disasters, social and political events within the U.S. and abroad, such as changes in the U.S. presidential administration and Congress, health emergencies (e.g., epidemics and pandemics), cyber-attacks, terrorism, actual or threatened wars, other armed conflicts or debt crises and downgrades, among others, may result in market volatility and may have long term effects on global financial markets and could adversely affect Company service providers and/or the Company's operations as well as interest rates, secondary trading, credit risk, inflation and other factors relating to the shares. The Company cannot predict the effects or likelihood of similar events in the future on world economies, the value of the Shares or the NAV of the Company.

Economic & Market Overview

In a period marked by rapidly changing and somewhat unpredictable political, trade, geopolitical and economic events, the Company's performance remains resilient amid elevated bond and currency markets volatility. Swinging from a market pricing "US exceptionalism" to one that is driven by uncertain policy direction and a likely rebalancing of economic momentum away from the US has seen some dramatic corrections in the direction of market pricing for many assets, as displayed in the performance of the Canadian dollar over the period, for example. Despite the great deal of uncertainty that exists globally at present, the cumulative impact of prudent policy settings over many years, reliability of policy decisions, and ongoing intra-regional co-operation and collaboration continues to deliver resilience in economic conditions and contributes favorably to

the bond market performance for most of the Asia Pacific region. At a time when the notion of US exceptionalism is challenged, capital flows into the region are additionally supportive of the Asian currencies.

Fund Performance Review

The Company returned -1.07% on a net asset value basis for the six-months ended April 30, 2025, versus the 2.18% return of its blended benchmark¹ for the same period. While the performance of the net asset value includes the impact of leverage², the benchmark performance does not.

The Company's use of leverage detracted marginally from the performance as the mark-to-market impact from hedging the cost of leverage was negative due to falling US interest rates over the period. The unlevered NAV return was -0.66% for the six-months ended April 30, 2025, detracting 0.41% from the Company's performance over that timeframe.

Leverage is used strategically by the Company to support its income generating capacity. The Company continues to benefit from a positive interest-rate differential between the interest income on the investment portfolio and the cost of the leverage.

The Company underperformed its blended benchmark due to its overweight exposure to higher-yielding US dollar-denominated Asian sovereign and corporate as well as EM sovereign bonds whose performance was impacted by spread widening and also the weaker US dollar, especially towards the end of the period. The overweight exposure to the Indian local currency bond market contributed positively, offsetting the underweight exposure to other local currency bond markets in Asia and Emerging Markets, which also performed well albeit with more volatility than the Indian market. The portfolio's overweight to the Indonesia rupiah detracted value relative to the benchmark as investors' concern about ongoing fiscal prudence weighed on sentiment.

The use of derivatives to hedge the interest-rate risk (primarily paid interest-rate swap positions to fix the cost of the leverage) in the investment portfolio detracted value on a mark-to-market basis. The use of currency forwards had added marginally to the Company's overall performance.

The monthly distribution reflects the Company's current policy to provide shareholders with a relatively stable cash flow per share. This policy did not have a material effect on the Company's investment strategy over the reporting period.

- 1 The Company's blended benchmark comprises 10% Bloomberg AusBond Composite, 25% JPMorgan Asia Credit Diversified, 50% iBoxx ALBI (CAD), 15% JPMorgan GBI-EM Global Diversified (CAD).
- 2 Usually refers to a fund being exposed by more than 100% of its net asset value to assets or markets; typically resulting from the use of debt or derivatives.

Management Discussion of Fund Performance (unaudited) (continued)

Outlook

The market has settled down from the peak of the tariff-driven panic. Optimists seem to be taking the Trump administration's 90-day delay on the tariff implementation as capitulation and reason to look past it. We are not quite so sanguine, as we feel it is likely that this extended period of uncertainty could weigh on economic growth, ignite inflation, or both. This may take more time to filter into the hard data than many expected. The good news is that if there is a slowdown, we expect it to be relatively short-lived and shallow.

Although the first round of tariff announcements most negatively impacts Asia, there is every likelihood that the outcomes for Asia will not be as bad as first feared. The reasons for this remain Asian economic fundamentals and policy-making credibility, the resilient intra-regional and trade linkages with the rest of the world, and, of course, plenty of opportunity for deals to be struck with the US.

Additionally, over the course of the past couple of years, many multinational companies have diversified their supply chains geographically, so thinking about trade on a purely bilateral basis may provide a too simplistic assessment.

The events following "Liberation Day" prompted global investors from varying geographies and of varying types to reconsider exposures to US assets. In some cases, this reaction is considered retaliatory, in others defensive, but the unpredictability of policy, the potential for significant fiscal slippage and/or the increased likelihood of stagflation are motivating capital allocators to revisit the opportunities outside the US. The period of "US exceptionalism" appears over, with the US dollar likely to continue to come under pressure. With a benign inflation outlook, amid improved capital flows, Asian policymakers have the capacity and willingness to ease policy to support domestic demand.

The Indian bond market has largely been supported by the commencement of the Reserve Bank of India (RBI)'s rate-cutting cycle alongside liquidity injections to support the market. In April, the RBI cut the policy rate by 25 bps to 6.0% and, more importantly, moved to an accommodative stance. India's Monetary Policy Committee's expectations for inflation is to remain near target for the fiscal year, providing scope to support economic growth via further rate cuts. Current data, therefore, points to expectations for a deeper easing cycle to support India's solid, if softening, economic growth.

On the other hand, investor concerns continue with respect to the institutional credibility of the new Indonesian administration, especially with respect to fiscal prudence. However, with economic growth and inflation moderating, there is scope for easier monetary policy that will support the bond market's performance.

Asian credit markets are also likely to be resilient in the face of any market volatility. Within Asia, the credit market does comprise a large proportion of sovereign, quasi-sovereign and state-owned enterprise

bonds, with different credit considerations and much lower credit risk compared with corporates. Additionally, Asian corporate issuers tend to be the largest players in their home markets and thus not only benefit from decent domestic revenues but also access to local bank financing and now local currency bond markets. This materially reduces the earnings and liquidity risks in the near term. The sell-off experienced in April, in our view, is more technical in nature and not reflective of the fundamental strength of Asian issuers. Meanwhile, net supply for the sector is negative and a technical source of support for the sector. From a sectoral allocation, we focus on issuers servicing local consumption, where amid uncertainty, more spending is happening on home turf.

In summary, the Asia Pacific region continues to benefit from well-established policy frameworks applied with consistency and supported by robust intra-regional and international trade agreements with most of the world. These factors underpin the outlook for economic resilience while likely to be supportive for the Asia Pacific bond markets in which the Company invests.

Director Updates

Share Ownership Policy

The Independent Directors are subject to a director's share ownership policy ("Share Ownership Policy"). Under the Share Ownership Policy Independent Directors of the Company are required to own at least 10,000 Shares of the Company by the end of the first full calendar year following the year in which he or she is elected.

The below chart summarizes each Independent Director Share ownership as at April 30, 2025.

Independent Director	Shares Owned (by public filings)
Radhika Ajmera	10,000
William J. Braithwaite	70,000

Related Party Transactions

The Company has an agreement (the "Management Agreement") with abrdn Asia to provide investment management services. abrdn Investments Limited, a related company of abrdn Asia, was engaged to provide advisory services to abrdn Asia, with respect to abrdn Asia's services to the Company. abrdn Asia paid fees to abrdn Investments Limited for services rendered. In addition, the Company has a further agreement (the "Administration Agreement") with abrdn Canada (the "Canadian Administrator"), an affiliate of abrdn Asia, to be the Canadian administrator of the Company, fulfilling the Company's requirement to appoint a Canadian registered investment fund manager under Canadian securities laws.

The Company has an agreement with abrdn Inc. to provide investor relations services.

Management Discussion of Fund Performance (unaudited) (concluded)

Implementation of Expense Limitation Agreement

On June 20, 2022, the Board authorized the Company to enter into an Expense Limitation Agreement with abrdn Asia pursuant to which the total ordinary operating expenses of the Company (excluding any leverage costs, taxes, interest, brokerage fees, short sale dividend and interest expenses and non-routine expenses) in any fiscal year are capped at 1.20% of the average daily managed assets of the Company on an annualized basis and, thereafter from year to year unless terminated earlier. Management Fees waived or reduced and other payments remitted by abrdn Asia Limited under the agreement may be reimbursed to abrdn Asia Limited over a three year period subject to certain conditions. The total amount waived for the six-month period ended April 30, 2025 pursuant to the Expense Limitation Agreement was C\$157,923. Please see Note 7 in Notes to Financial Statements for further information.

Taxation

As part of the Company's move to Singapore, the Company can rely on a double taxation treaty that may give the Company a more favorable withholding and capital gains tax rate in certain countries and on certain types of securities and forms of income.

Forward-Looking Information

Information in this management report of fund performance that is not current or historically factual information may constitute forward-looking information within the meaning of securities laws. Such forward-looking information reflects abrdn Asia's beliefs, estimates and opinion regarding the Company's future financial performance, projects and opportunities and market conditions at the time of preparation. Implicit in this information, particularly in respect of future financial performance and condition of the Company, are factors and assumptions which, although considered reasonable by the Company at the time of preparation, may prove to be incorrect. Holders of Shares are cautioned that actual results are subject to a number of risks and uncertainties, including general economic and market factors, credit, currency, political and interest rate risks and could differ materially from what is currently expected. The Company has no specific intention of updating any forward-looking information whether as a result of new information, future events or otherwise except as required by law.

All amounts in Canadian Dollars ("C\$") unless otherwise stated

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Financial Highlights

The following table shows selected key financial information about the Company, which is intended to help you understand the Company's financial performance for the past five years.

The Company's Net Assets per Share: ^(a)	For the Six-Months Ended April 30, 2025*	For the Fiscal Years Ended October 31,				
	2025*	2024	2023	2022	2021	2020
Net assets, beginning of period	C\$3.26	C\$3.08	C\$2.84	C\$3.63	C\$4.04	C\$4.54
Increase/(decrease) from operations:^(b)						
Total revenue	0.16	0.33	0.32	0.30	0.32	0.36
Total expenses	(0.08)	(0.17)	(0.15)	(0.11)	(0.11)	(0.13)
Realised gains/(losses) for the period	(0.25)	0.04	(0.14)	(0.22)	(0.17)	(0.46)
Unrealised gains/(losses) for the period	0.13	0.19	0.44	(0.49)	(0.18)	(-)
Total Increase/(decrease) from operations	(0.04)	0.39	0.47	(0.52)	(0.14)	(0.23)
Distributions from:						
Distributable earnings	(0.11)	(0.21)	(0.23)	(0.27)	(-)	(0.27)
Return of par value ^(c)	-	-	-	-	(0.27)	-
Total annual distributions ^(d)	(0.11)	(0.21)	(0.23)	(0.27)	(0.27)	(0.27)
Net assets, end of period	C\$3.11	C\$3.26	C\$3.08	C\$2.84	C\$3.63	C\$4.04
Ratios/Supplemental Data						
Total net asset value end of period (C\$000)	103,445	120,617	126,594	129,667	184,344	205,220
Number of Shares outstanding – end of period	33,295,277	36,992,854	41,103,165	45,670,155	50,744,616	50,744,616
Management expense ratio excluding fee waiver	3.29% ^(e)	3.59%	3.30%	2.21%	1.93%	1.87%
Management expense ratio, net of fee waiver ^(f)	3.10% ^(e)	3.40%	3.10%	2.17%	1.93%	1.87%
Management expense ratio, net of fee waiver excluding interest expense ^(g)	1.27% ^{(e)(h)}	1.25% ^(h)	1.25% ^(h)	1.25% ^(h)	1.52%	1.18%
Trading expense ratio ⁽ⁱ⁾	-	-	-	-	-	-
Portfolio turnover ^(j)	11%	26%	29%	55%	64%	107%
Net asset value per Share	C\$3.11	C\$3.26	C\$3.08	C\$2.84	C\$3.63	C\$4.04
Closing market price	C\$2.86	C\$2.78	C\$2.50	C\$2.35	C\$3.03	C\$2.90

* Unaudited

(a) This information is derived from the Company's audited annual financial statements. The net assets per Share of the Company presented in the financial statements may differ from the net asset value calculated for fund pricing purposes.

(b) Net assets are based on the actual number of Shares outstanding at the relevant time. The increase or decrease from operations is based on the weighted average number of Shares outstanding over the applicable period.

(c) Singapore legislation does not provide for "par value" and references to par value relate to periods prior to December 16, 2021 when the Company was domiciled in the Cook Islands.

(d) Distributions per Share are paid in cash and based on the number of Shares outstanding on the dates of such distributions.

(e) Annualized.

Financial Highlights (concluded)

- (f) Management expense ratio is the ratio of total expenses of the Company (excluding fee waivers, commissions, other portfolio transaction costs and withholding tax) divided by the daily average total assets of the Company during the period, which includes the revolving credit facility. Ratios of the total expenses of the Company excluding fee waivers divided by the average net assets of the Company are 4.73%, 5.13%, 4.66%, 3.09%, 2.61%, and 2.58%, for the periods ended April 30, 2025, October 31, 2024, October 31, 2023, October 31, 2022, October 31, 2021 and October 31, 2020, respectively.
- (g) Ratio represents expenses, net of fee waiver, excluding the interest expense and withholding tax on the revolving credit facility divided by the average assets of the Company during the year, which includes the revolving credit facility (see last year). Ratios of the total expenses of the Company, net of fee waiver, excluding interest expense divided by the average net assets of the Company are 1.82%, 1.79%, 1.76%, 2.10%, 2.06%, and 1.64%, for the periods ended April 30, 2025, October 31, 2024, October 31, 2023, October 31, 2022, October 31, 2021 and October 31, 2020, respectively.
- (h) Effective October 31, 2022, the Management expense ratio, net of fee waiver excluding interest expenses also excludes bank loan fees and and non-recurring expenses as referenced on the Statement of Comprehensive Income/(loss)
- (i) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value per Shares during the applicable period. The Company is charged commission only on futures contract transactions. During the review period the trading expense ratio was less than 0.005%.
- (j) Portfolio turnover rate is a measure of portfolio trading activity and is computed by dividing the lesser of the cost of investments purchased and the proceeds on sales of investments by the average market value of the investments portfolio for the applicable period. A portfolio turnover rate of 100% is equivalent to the Company buying and selling all of the securities in its portfolio once in the course of the year. The higher the Company's portfolio turnover rate in a period, the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a company. Portfolio turnover is higher in the fiscal year ended October 31, 2020 due to the market volatility in response to COVID-19.

Amounts listed as “–” are C\$0 or round to C\$0.

Management Fees (unaudited)

The Management Agreement provides for a monthly fee at the annual rate of 0.65% of the Company's average weekly Managed Assets up to and including C\$250 million, at the annual rate of 0.55% of the Company's average weekly Managed Assets in excess of C\$250 million and including C\$450 million, and at the annual rate of 0.50% of the Company's average weekly Managed Assets in excess of C\$450 million, payable monthly. "Managed Assets" are defined in the Management Agreement as net assets plus the amount of any

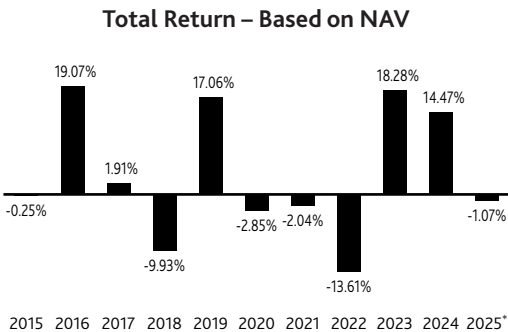
borrowings for investment purposes. For the six-month period ended April 30, 2025, abrdn Asia earned gross fees of C\$549,182 and net fees of C\$391,259 following the application of the Expense Limitation Agreement (described in Notes to Financial Statements note 7), which were used by abrdn Asia to pay its costs for managing the Company's investments and making investment decisions on behalf of the Company.

Past Performance (unaudited)

Historical performance is not indicative of future performance.

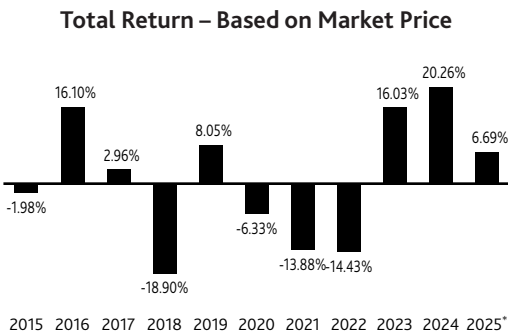
Year-by-Year Returns

The following bar chart shows the Company's NAV performance for each of the fiscal years shown and the six-month period ended April 30, 2025 and illustrates how the NAV performance has changed from year to year. In percentage terms, the bar chart shows how much an investment made on the first day of each period would have grown or decreased by the last day of each period, assuming reinvestment of dividends and distributions. In considering the Company's compound total returns, it should be noted that the payment of distributions has often included a return of paid-in capital, so that the Company's distributions have exceeded the performance of the Company. An investor can buy and sell Shares at the market price on the Toronto Stock Exchange ("TSX") and not at NAV.



* six months ended April 30, 2025

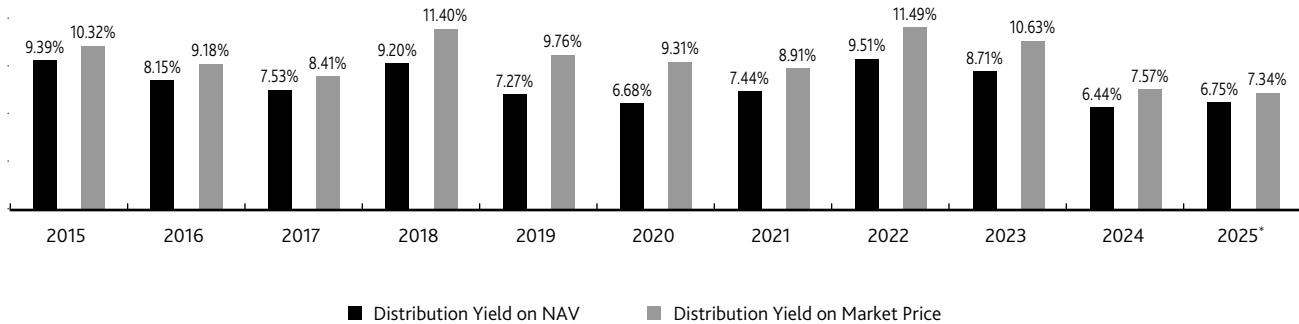
The following chart shows the performance of the Company's Shares on the TSX for each of the fiscal years shown and the six-month period ended April 30, 2025 and assumes reinvestment of dividends and distributions.



* six months ended April 30, 2025

Past Performance (unaudited) (concluded)

The following chart shows the Company's annual distribution yield based on NAV and market price as of each fiscal year shown and the annualized yield for the six-month period ended April 30, 2025. Although the Company's total annual distributions have at times included return of paid-in capital, shareholders have received a stable distribution yield over the years shown.



* annualized yield for the six-month period ending April 30, 2025

Annual Compound Returns

The table below shows the Company's annual compound total returns, based on the Company's NAV and market price for the six-month, one, three, five and ten year periods ended on April 30, 2025.

As a basis of comparison, the Company has selected the JP Morgan Asian Credit Index (JACI) a broad-based securities market index that is comprised of liquid US dollar-denominated debt securities issued out of the Asia region ex-Japan. Additionally, the Benchmark referenced in the table below is a blend of several benchmarks because a benchmark that is in line with Company's investment strategy is not available. Indices do not have fees and expenses and you cannot invest directly in an index. The Company invests a portion of its assets

in liquid US dollar-denominated debt securities issued out of the Asia region ex-Japan but less than that of the JACI.

The Company's performance based on NAV takes into account management fees, other Company expenses and includes the impact of the leverage facility. The Company uses leverage strategically to support its income-generating capacity. Over the medium-to-longer term, leverage has contributed positively to the performance of the Company's net asset value; however, in the short term, this can magnify the volatility of the performance of the Company's assets. Based on these factors it is not expected that the Company's performance would mirror that of the benchmark or Index.

	6 Months	1 Year	3 Years	5 Years	10 Years
Net Asset Value (NAV)	-1.07%	5.09%	6.65%	4.86%	3.50%
Market Price	6.69%	20.89%	10.72%	10.63%	2.96%
Benchmark ^(a)	2.18%	10.37%	6.62%	2.00%	3.93%
JP Morgan Asian Credit Index (JACI)	0.82%	8.37%	7.02%	2.39%	–%

(a) The Company's benchmark: has changed over time in conjunction with changes in the Company's investment policy. The following information provides the information historically.

- From August 1, 2009, the benchmark was comprised of 25% Bloomberg Ausbond Composite Index, 20% Merrill Lynch Asia USD Bond Index, 35% iBoxx indices and 20% JPMorgan Government Emerging Markets Indices. The iBoxx indices was made up of 15% iBoxx Indonesia, 10% iBoxx Philippines and 10% iBoxx India. The JPMorgan Government Emerging Market Indices were comprised of 6% JPMorgan Government Bond-Mexico, 7% JPMorgan Government Bond-Brazil and 7% JPMorgan Government Bond-Turkey.
- Effective December 31, 2011, the Merrill Lynch Asia USD Bond Index was replaced by the JP Morgan Asian Credit Index, which, effective October 1, 2017, was subsequently replaced by the JP Morgan Asian Credit Diversified Index.
- Effective November 1, 2019, the Company's blended benchmark changed to 50% Markit iBoxx Asian Local Bond Index, 25% J.P. Morgan Asia Credit Diversified Index, 15% JP Morgan GBI Emerging Market Global Diversified Index and 10% Bloomberg Ausbond Composite Index. The benchmark change was due to the change in investment policy that was announced on June 28, 2019.

Summary of Investment Portfolio Information (unaudited)

As at April 30, 2025

The following summary of the investment portfolio may change due to ongoing transactions of the Company. You may obtain quarterly updates by calling 1-800-992-6341, by writing to us c/o abrdn Inc., 1900 Market St., Suite 200, Philadelphia, PA 19103, USA attn: Investor Services or visiting the Company's website at <https://www.aberdeeninvestments.com/en-ca/investor>.

Country Allocation

The table below shows the Company's investment by country allocation over Net Asset Value. The Company's investment policy restrictions define country exposure calculated on Managed Assets.

Country	Percentage of NAV As at April 30, 2025	Percentage of NAV As at October 31, 2024
Indonesia ^(a)	30.5%	28.4%
India	15.5%	13.0%
Supranational ^(b)	15.2%	15.6%
Australia	8.8%	13.2%
Pakistan	7.4%	8.7%
Philippines	4.5%	4.6%
United Kingdom	4.4%	2.5%
Hong Kong	3.8%	3.0%
Malaysia	3.3%	2.9%
China	3.0%	3.5%
United Arab Emirates	2.8%	3.0%
Brazil	2.8%	3.8%
Thailand	2.5%	1.9%
Singapore	2.0%	1.7%
Mexico	1.8%	3.1%
South Africa	1.5%	3.2%
Uruguay	0.9%	2.8%
Other, less than 2% each	19.2%	23.7%
Bank Loan, Other Assets & Liabilities	(29.9)%	(38.6)%
	100.0%	100.0%

(a) Indonesian country allocation as a percentage of Managed Assets as at April 30, 2025 and October 31, 2024 was 21.2% and 19.7%, respectively.

(b) Offshore Indian denominated securities.

Summary of Investment Portfolio Information (unaudited) (continued)

As at April 30, 2025

Top 25 Investments

The following table shows the top 25 investments held by the Company as at April 30, 2025:

Currency	Principal Amount (000)	Description	Net Asset Value %	Value (C\$)
IDR	75,927,000	Indonesia Treasury Bonds, 10.50%, 08/15/2030	7.1	7,330,071
INR	400,000	India Government Bonds, 7.54%, 05/23/2036	6.8	7,057,982
PKR	1,245,000	Pakistan Treasury Bills, 15.88%, 05/29/2025	5.8	6,041,428
IDR	64,000,000	Indonesia Treasury Bonds, 9.00%, 03/15/2029	5.5	5,744,703
INR	300,000	European Investment Bank, 7.40%, 10/23/2033	5.0	5,137,897
IDR	60,300,000	Indonesia Treasury Bonds, 6.50%, 02/15/2031	4.8	4,955,925
INR	280,000	Corp. Andina de Fomento, 8.25%, 04/26/2034	4.6	4,797,152
IDR	49,500,000	Indonesia Treasury Bonds, 8.25%, 05/15/2029	4.2	4,349,975
INR	250,000	Inter-American Development Bank, 7.00%, 08/08/2033	4.0	4,183,020
AUD	4,000	Westpac Banking Corp., 6.93%, 06/23/2033	3.7	3,823,484
USD	2,500	Pertamina Persero PT, 6.50%, 11/07/2048	3.4	3,492,116
USD	2,360	Petroliam Nasional Bhd., 7.63%, 10/15/2026	3.3	3,395,069
USD	1,970	Indonesia Government International Bonds, 8.50%, 10/12/2035	3.3	3,385,937
INR	185,000	India Government Bonds, 7.36%, 09/12/2052	3.1	3,217,162
PHP	105,000	Philippines Government International Bonds, 6.25%, 01/14/2036	2.4	2,527,066
PHP	71,660	Philippines Government Bonds, 9.25%, 11/05/2034	2.1	2,143,483
AUD	2,000	Commonwealth Bank of Australia, 6.70%, 03/15/2033	1.8	1,890,442
MXN	26,500	Mexico Bonos, 8.50%, 05/31/2029	1.8	1,849,736
USD	1,100	Bangkok Bank PCL, 9.03%, 03/15/2029	1.7	1,723,880
INR	102,000	Asian Infrastructure Investment Bank, 6.65%, 06/30/2033	1.6	1,655,589
USD	1,000	Singapore Telecommunications Ltd., 7.38%, 12/01/2031	1.6	1,612,130
ZAR	25,000	Republic of South Africa Government Bonds, 8.50%, 01/31/2037	1.5	1,535,556
BRL	6,500	Brazil Notas do Tesouro Nacional, 10.00%, 01/01/2029	1.4	1,425,427
USD	1,000	MAF Global Securities Ltd., 7.88%, 06/30/2027	1.4	1,416,481
USD	1,000	Standard Chartered PLC, 7.75%, 08/15/2027	1.3	1,402,558

Summary of Investment Portfolio Information (unaudited) (concluded)

As at April 30, 2025

Top 25 Investments

The following table shows the top 25 investments held by the Company as at October 31, 2024:

Currency	Principal Amount (000)	Description	Net Asset Value %	Value (C\$)
IDR	75,927,000	Indonesia Treasury Bonds, 10.50%, 08/15/2030	6.6	7,944,230
INR	400,000	India Government Bonds, 7.54%, 05/23/2036	5.8	6,940,124
IDR	64,000,000	Indonesia Treasury Bonds, 9.00%, 03/15/2029	5.1	6,155,118
PKR	1,245,000	Pakistan Treasury Bills, 16.07%, 05/29/2025	4.8	5,799,475
IDR	60,300,000	Indonesia Treasury Bonds, 6.50%, 02/15/2031	4.4	5,272,895
INR	300,000	European Investment Bank, 7.40%, 10/23/2033	4.2	5,090,923
INR	280,000	Corp. Andina de Fomento, 8.25%, 04/26/2034	3.9	4,677,809
AUD	4,800	Westpac Banking Corp., 6.93%, 06/23/2038	3.9	4,674,609
IDR	49,500,000	Indonesia Treasury Bonds, 8.25%, 05/15/2029	3.8	4,653,628
INR	250,000	Inter-American Development Bank, 7.00%, 08/08/2033	3.4	4,127,767
USD	2,500	Pertamina Persero PT, 6.50%, 11/07/2048	3.1	3,768,047
BRL	16,500	Brazil Notas do Tesouro Nacional, 10.00%, 01/01/2029	3.0	3,624,555
AUD	3,700	Commonwealth Bank of Australia, 6.70%, 03/15/2038	2.9	3,562,017
USD	2,360	Petrolia Nacional Bhd., 7.63%, 10/15/2026	2.9	3,456,226
		Uruguay Government International Bonds, 8.25%, 05/21/2031	2.8	3,409,225
UYU	107,650			
INR	200,000	International Finance Corp., 6.30%, 11/25/2024	2.7	3,309,400
INR	185,000	India Government Bonds, 7.36%, 09/12/2052	2.6	3,190,980
		Pakistan Government International Bonds, 6.88%, 12/05/2027	2.4	2,864,698
USD	2,272			
		Indonesia Government International Bonds, 8.50%, 10/12/2035	2.2	2,614,729
USD	1,470			
		Philippines Government International Bonds, 6.25%, 01/14/2036	2.0	2,466,851
PHP	105,000			
USD	1,600	MAF Global Securities Ltd., 7.88%, 06/30/2027	1.9	2,298,531
		Egyptian Financial Co. for Sovereign Taskeek, 10.88%, 02/28/2026	1.8	2,167,196
USD	1,500			
		Republic of South Africa Government Bonds, 8.25%, 03/31/2032	1.8	2,145,427
ZAR	29,735			
PHP	71,660	Philippines Government Bonds, 9.25%, 11/05/2034	1.8	2,144,355
		Nigeria Government International Bonds, 8.75%, 01/21/2031	1.7	2,064,177
USD	1,550			

Other Investment Portfolio Information (unaudited)

As at April 30, 2025

Geographic Composition

The table below shows the geographical composition of the Company's total investments as at April 30, 2025, compared with October 31, 2024 and April 30, 2024:

Date	Asia (Including NZ) %	Supranational %	Australia %	Europe %	Latin America %	Africa %	Other, < 5%
April 30, 2025	61.6	11.0	6.3	5.1	4.4	3.6	8.0
October 31, 2024	58.2	11.1	9.3	0.0	7.5	7.1	6.8
April 30, 2024	62.5	0.0	10.7	5.1	10.0	5.8	5.9

Currency Composition

The table below shows the currency composition of the Company's total investments as of April 30, 2025, compared with October 31, 2024 and April 30, 2024:

Date	U.S. Dollar %	Asian Currencies %	Australian Dollar %	Latin America Currencies %	Other, < 5%
April 30, 2025	47.6	41.9	4.5	3.0	3.0
October 31, 2024	46.0	37.1	6.5	6.9	3.5
April 30, 2024	45.3	36.7	6.4	9.0	2.6

Maturity Composition

The average maturity of the Company's total investments was 4.8 years at April 30, 2025, compared with 5.3 years at October 31, 2024, and 5.5 years at April 30, 2024. The following table shows the maturity composition of the Company's investments as at April 30, 2025, compared with October 31, 2024 and April 30, 2024:

Date	0 to 5 Years %	5 to 10 Years %	10 Years & Over %
April 30, 2025*	48.1	34.9	17.0
October 31, 2024	47.9	29.1	23.0
April 30, 2024*	49.8	32.3	17.9

* Unaudited

Quality of Investments

As at April 30, 2025, 20.7% of the Company's investments were invested in securities where either the issue or the issuer was rated "A" or better by S&P, Moody's or Fitch or, if unrated, was judged to be of equivalent quality by abrdn Asia Limited (the "Investment Manager"). The following table shows the ratings of securities held by the Company as at April 30, 2025, compared with October 31, 2024 and April 30, 2024:

Date	AAA/Aaa %	AA/Aa %	A %	BBB/Baa %	BB/Ba* %	B* %	B or below* %	NR** %
April 30, 2025	7.7	3.3	9.7	40.5	18.2	6.5	6.2	7.9
October 31, 2024	8.2	3.3	11.3	40.3	18.7	7.4	8.3	2.5
April 30, 2024	2.0	1.9	10.4	53.0	13.9	10.0	5.0	3.7

* Below investment grade

** Not Rated

Statements of Financial Position

NOTICE TO READER Interim financial statements, including the accompanying interim notes to the financial statements, are not and have not been reviewed by the Company's auditors

	Note	April 30, 2025 C\$	October 31, 2024 C\$
Assets			
Investments, at fair value (Cost: C\$139,121,986; 2024: C\$177,942,107)		134,363,899	167,180,049
Foreign cash (Cost: C\$11,974,824; 2024: C\$3,421,951)		11,918,337	3,567,387
Cash		381,575	316,149
Interest receivable		2,910,110	3,158,102
Unrealized appreciation on forward foreign currency exchange contracts		-	45,846
Unrealized appreciation on interest rate swaps		581,702	2,152,360
Prepaid expenses in connection with bank loans		63,687	3,479
Sundry debtors and prepayments		231,212	146,731
Total assets		C\$ 150,450,522	C\$ 176,570,103
Liabilities			
Bank loan	9	45,028,529	53,107,626
Unsettled purchases trades		646,653	-
Cash due to broker for forward foreign currency contracts		413,580	682,252
Cash from broker on interest rate swap agreements		344,650	1,336,656
Interest payable on bank loan	9	185,537	164,583
Deferred foreign capital gains tax	6	157,176	89,338
Unrealised depreciation on forward foreign currency exchange contracts		116,142	219,781
Investment management fees payable	7	47,439	78,187
Administration fees payable	7	17,815	20,599
Investor relations fees payable	7	7,578	8,284
Director fees payable		3,316	9,081
Accrued expenses and other liabilities		37,516	237,011
Total liabilities		47,005,931	55,953,398
Share capital		442,612,115	454,666,216
Deficit	10	(304,400,357)	(294,530,246)
Unrealised appreciation/(depreciation) on investments, interest rate swaps, futures and foreign currency transactions		(34,767,167)	(39,519,265)
Total Equity		C\$ 103,444,591	C\$ 120,616,705
Net assets per share attributable to holders of Shares (33,295,277 and 36,992,854 Shares outstanding at April 30, 2025 and October 31, 2024, respectively)		C\$ 3.11	C\$ 3.26

Amounts listed as "-" are \$C0 or round to \$C0

Approved by the Board of Directors

/s/William Braithwaite

William Braithwaite
Chair

/s/Radhika Ajmera

Radhika Ajmera
Chair of Audit Committee

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

Statements of Comprehensive Income/(Losses)

	Note	Six Months Ended April 30, 2025 C\$	Six Months Ended April 30, 2024 C\$
Investment Income			
Interest Income		5,929,109	6,571,245
Realised gains/(losses) on investments		(13,359,511)	(1,006,963)
Realised gains/(losses) on foreign currency transactions		3,392,220	1,336,666
Realised gains/(losses) on interest rate swap contracts		797,531	1,143,462
Change in unrealised appreciation/(depreciation) on investments		6,003,971	5,178,926
Change in unrealised appreciation/(depreciation) on interest rate swap contracts		(1,570,658)	(1,434,878)
Change in unrealised appreciation/(depreciation) on translation of foreign currency denominated assets and liabilities		318,785	308,375
		1,511,447	12,096,833
Expenses			
Investment management fees	7	549,182	616,254
Administration fees	7	105,612	112,518
Legal and professional fees and expenses		104,977	86,356
Independent auditor fees and expenses		87,776	82,717
Director fees and expenses		81,675	122,391
Transfer agent fees and expenses		51,463	51,840
Investor relations fees and expenses	7	50,612	48,488
Custodian fees and expenses		34,487	36,659
Reports to shareholders		32,977	32,264
Bank loan fees		22,968	31,080
Independent review committee fees		9,638	8,375
Registration, listing and depositary fees		7,772	8,197
Insurance		5,828	31,049
Miscellaneous		84,435	60,525
Total operating expenses		1,229,402	1,328,713
Interest expense	9	1,551,147	1,857,477
Withholding taxes		187,292	345,887
Expenses reduced by Investment Manager		(157,923)	(213,920)
Total expenses		2,809,918	3,318,157
Income (loss) for the period		C\$ (1,298,471)	C\$ 8,778,676
Earnings (loss) per share C\$(1,298,471)/36,359,407 weighted average number of Shares (April 30, 2024-C\$8,778,676/40,335,304)		C\$ (0.0357)	C\$ 0.2176

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

Statements of Changes in Shareholders' Equity

	Six Months Ended April 30, 2025 C\$	Six Months Ended April 30, 2024 C\$
Equity beginning of period	120,616,705	126,594,267
Income (loss) for the period	(1,298,471)	8,778,676
Distributions to holders of Shares	(3,819,542)	(4,243,902)
Payments on redemption(3,697,577 and 4,110,311 shares, respectively)	(12,054,101)	(13,192,995)
	(15,873,643)	(17,436,897)
Decrease in Shareholders' Equity	(17,172,114)	(8,658,221)
Equity end of period	103,444,591	117,936,046

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

Statements of Cash Flows

	Six Months Ended April 30, 2025 C\$	Six Months Ended April 30, 2024 C\$
Increase / (Decrease) in Cash (Including Foreign Currency)		
Cash Flows provided from/(used for) Operating Activities:		
Interest received	5,887,039	6,395,307
Interest paid	(1,530,193)	(1,846,809)
Operating expenses paid	(1,455,666)	(1,192,666)
Net payments received from/(paid to) broker for collateral on interest rate swaps	(992,006)	(1,442,812)
Purchases of investments at fair value	(20,746,292)	(36,297,954)
Proceeds from sales of investments at fair value	49,780,714	55,896,354
Realised gains/(losses) on forward foreign currency exchange contracts closed	196,389	(246,923)
Realised gains/(losses) on interest rate swap transactions	797,531	1,143,462
Net cash provided from operating activities	C\$ 31,937,516	C\$ 22,407,959
Cash Flows provided from/(used for) Financing Activities:		
Bank Loan	(7,827,275)	(2,065,575)
Distributions to holders of Shares	(3,819,542)	(4,243,902)
Redemption of Shares	(12,054,101)	(13,192,995)
Net cash used for financing activities	(23,700,918)	(19,502,472)
Effect of exchange rate on cash	179,778	(177,101)
Net (decrease)/increase in cash	8,416,376	2,728,386
Cash at beginning of period	3,883,536	4,248,857
Cash at end of period	C\$ 12,299,912	C\$ 6,977,243

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

Schedule of Investment Portfolio (unaudited)

As of April 30, 2025

Principal Amount (000)	Description	Cost (C\$)	Carrying Value (C\$)
CORPORATE BONDS—54.2%			
AUSTRALIA—8.8%			
AUD 2,000	Commonwealth Bank of Australia, (fixed rate to 03/15/2033, variable rate thereafter), 6.70%, 03/15/2033 ^(a)	\$ 1,778,578	\$ 1,890,442
AUD 1,000	Emeco Pty. Ltd., 6.25%, 07/10/2026 ^(a)	929,349	855,175
USD 430	Macquarie Bank Ltd., (fixed rate to 03/08/2027, variable rate thereafter), 6.13%, 03/08/2027 ^{(b)(c)}	600,495	589,906
USD 830	Mineral Resources Ltd., 8.00%, 11/01/2027 ^{(a)(b)}	1,063,977	1,086,709
USD 600	Perenti Finance Pty. Ltd., 7.50%, 04/26/2029 ^{(a)(b)}	845,119	858,178
AUD 4,000	Westpac Banking Corp., (fixed rate to 06/23/2033, variable rate thereafter), 6.93%, 06/23/2033 ^{(a)(b)}	3,612,230	3,823,484
Total Australia		8,829,748	9,103,894
BAHRAIN—1.2%			
USD 850	Bapco Energies BSC Closed, 7.50%, 10/25/2027 ^(b)	1,170,444	1,199,708
BRAZIL—0.5%			
USD 400	Braskem Netherlands Finance BV, 8.00%, 10/15/2034 ^{(a)(b)}	555,344	492,022
CHINA—3.0%			
USD 400	China Hongqiao Group Ltd., 7.05%, 01/10/2028 ^(b)	566,680	555,039
USD 450	Fortune Star BVI Ltd., 8.50%, 05/19/2028 ^{(a)(b)}	627,300	615,349
USD 400	Health & Happiness H&H International Holdings Ltd., 9.13%, 07/24/2028 ^{(a)(b)}	571,954	550,839
USD 200	Kaisa Group Holdings Ltd., 9.75%, 09/28/2023 ^{(a)(b)(d)(e)}	236,806	11,718
USD 480	Science City Guangzhou Investment Group Co. Ltd., 6.80%, 08/05/2025 ^(b)	645,336	663,714
USD 550	Shimao Group Holdings Ltd., 6.13%, 02/21/2024 ^{(a)(b)(d)(e)}	354,048	38,435
USD 450	Wanda Properties Global Co. Ltd., 11.00%, 01/12/2026 ^{(a)(b)(f)}	583,371	593,446
USD 880	Yuzhou Group Holdings Co. Ltd., 8.30%, 05/27/2025 ^{(a)(b)(d)(e)}	402,716	87,955
Total China		3,988,211	3,116,495
FRANCE—0.8%			
USD 560	BNP Paribas SA, (fixed rate to 08/14/2028, variable rate thereafter), 8.50%, 08/14/2028 ^{(b)(c)}	748,720	804,659
GEORGIA—0.8%			
USD 253	Bank of Georgia JSC, (fixed rate to 07/16/2029, variable rate thereafter), 9.50%, 07/16/2029 ^{(b)(c)}	343,384	342,566
USD 329	Georgia Global Utilities JSC, 8.88%, 07/25/2029 ^{(a)(b)}	451,174	458,120
Total Georgia		794,558	800,686
HONG KONG—3.8%			
USD 250	Bank of East Asia Ltd., (fixed rate to 03/13/2026, variable rate thereafter), 6.63%, 03/13/2026 ^{(a)(b)}	336,534	348,126
USD 400	Elect Global Investments Ltd., (fixed rate to 09/11/2030, variable rate thereafter), 7.20%, 09/11/2030 ^{(b)(c)}	578,920	533,380
USD 800	Hutchison Whampoa Finance CI Ltd., 7.50%, 08/01/2027 ^(b)	1,412,561	1,172,929
USD 250	Hutchison Whampoa International 03/33 Ltd., 7.45%, 11/24/2033 ^(b)	288,535	395,604
USD 800	Melco Resorts Finance Ltd., 7.63%, 04/17/2032 ^{(a)(b)}	1,129,323	1,064,021
USD 430	NWD MTN Ltd., 8.63%, 02/08/2028 ^{(a)(b)}	596,560	453,818
Total Hong Kong		4,342,433	3,967,878
INDIA—5.6%			
USD 200	Continuum Energy Aura Pte. Ltd., 9.50%, 02/24/2027 ^{(a)(b)}	282,670	281,481
USD 410	Continuum Green Energy India Pvt/Co-Issuers, 7.50%, 06/26/2033 ^{(a)(b)(f)}	593,233	567,280
USD 550	Greenko Wind Projects Mauritius Ltd., 7.25%, 09/27/2028 ^{(a)(b)(f)}	787,298	734,092
USD 235	IIFL Finance Ltd., 8.75%, 07/24/2028 ^(b)	337,852	307,773
USD 320	Manappuram Finance Ltd., 7.38%, 05/12/2028 ^{(b)(f)}	437,842	438,194
USD 230	Muthoot Finance Ltd., 7.13%, 02/14/2028 ^{(b)(f)}	315,517	315,077
USD 250	Periama Holdings LLC, 5.95%, 04/19/2026 ^(b)	346,137	343,056
USD 400	Power Finance Corp. Ltd., 6.15%, 12/06/2028 ^(b)	598,940	573,503
USD 430	Reliance Industries Ltd., 6.25%, 10/19/2040 ^(b)	619,536	629,903
USD 200	Sammaan Capital Ltd., 9.70%, 07/03/2027 ^(b)	271,527	270,620
USD 497	Shriram Finance Ltd., 6.63%, 04/22/2027 ^(b)	671,590	681,597
USD 200	Vedanta Resources Finance II PLC, 9.85%, 04/24/2033 ^{(a)(b)}	286,949	250,127
USD 300	Vedanta Resources Finance II PLC, 10.88%, 09/17/2029 ^{(a)(b)}	408,045	401,357
Total India		5,957,136	5,794,060
INDONESIA—5.6%			
USD 604	LLPL Capital Pte. Ltd., 6.88%, 02/04/2039 ^{(b)(f)}	926,851	819,420
USD 710	Medco Maple Tree Pte. Ltd., 8.96%, 04/27/2029 ^{(a)(b)}	1,002,588	1,003,887

Schedule of Investment Portfolio (unaudited) (continued)

As of April 30, 2025

Principal Amount (000)	Description	Cost (C\$)	Carrying Value (C\$)
CORPORATE BONDS (continued)			
INDONESIA (continued)			
USD 2,500	Pertamina Persero PT, 6.50%, 11/07/2048 ^(b)	\$ 3,524,796	\$ 3,492,116
USD 370	Perusahaan Perseroan Persero PT Perusahaan Listrik Negara, 5.25%, 10/24/2042 ^(b)	418,636	446,959
Total Indonesia		5,872,871	5,762,382
ISRAEL—0.7%			
USD 500	Teva Pharmaceutical Finance Netherlands III BV, 7.88%, 09/15/2029 ^(a)	703,761	738,835
JAPAN—1.1%			
USD 260	Nippon Life Insurance Co., (fixed rate to 04/30/2035, variable rate thereafter), 6.50%, 04/30/2035 ^{(a)(b)}	360,321	363,645
USD 350	Rakuten Group, Inc., 11.25%, 02/15/2027 ^(b)	505,942	515,667
USD 200	SoftBank Group Corp., 7.00%, 07/08/2031 ^{(a)(b)}	273,890	280,113
Total Japan		1,140,153	1,159,425
MACAO—1.1%			
USD 350	MGM China Holdings Ltd., 7.13%, 06/26/2031 ^{(a)(b)}	481,528	484,552
USD 500	Studio City Finance Ltd., 6.50%, 01/15/2028 ^{(a)(b)}	578,798	662,441
Total Macao		1,060,326	1,146,993
MALAYSIA—3.3%			
USD 2,360	Petroliaam Nasional Bhd., 7.63%, 10/15/2026 ^(b)	3,908,121	3,395,069
MOROCCO—0.4%			
USD 270	OCP SA, 7.50%, 05/02/2054 ^{(a)(b)}	359,785	365,708
OMAN—1.0%			
USD 750	Oztel Holdings SPC Ltd., 6.63%, 04/24/2028 ^(b)	1,071,236	1,065,951
SAUDI ARABIA—0.8%			
USD 600	Dar Al-Arkan Sukuk Co. Ltd., 8.00%, 02/25/2029 ^(b)	781,737	851,859
SINGAPORE—2.0%			
USD 580	GLP Pte. Ltd., (fixed rate to 05/17/2026, variable rate thereafter), 4.50%, 05/17/2026 ^{(b)(c)}	701,307	467,181
USD 1,000	Singapore Telecommunications Ltd., 7.38%, 12/01/2031 ^(b)	1,557,910	1,612,130
Total Singapore		2,259,217	2,079,311
SOUTH KOREA—1.5%			
USD 600	SK Hynix, Inc., 6.50%, 01/17/2033 ^(b)	795,556	880,401
USD 470	Tongyang Life Insurance Co. Ltd., (fixed rate to 05/07/2030, variable rate thereafter), 6.25%, 05/07/2030 ^{(a)(b)}	648,107	647,696
Total South Korea		1,443,663	1,528,097
SWITZERLAND—0.9%			
USD 400	UBS Group AG, (fixed rate to 11/13/2028, variable rate thereafter), 9.25%, 11/13/2028 ^{(b)(c)}	591,680	595,827
USD 200	UBS Group AG, (fixed rate to 11/13/2033, variable rate thereafter), 9.25%, 11/13/2033 ^{(b)(c)}	275,930	308,197
Total Switzerland		867,610	904,024
THAILAND—2.5%			
USD 1,100	Bangkok Bank PCL, 9.03%, 03/15/2029 ^(b)	1,463,151	1,723,880
USD 400	Muangthai Capital PCL, 6.88%, 09/30/2028 ^{(b)(f)}	541,432	541,438
USD 300	Thaioil Treasury Center Co. Ltd., 5.38%, 11/20/2048 ^(b)	354,414	334,955
Total Thailand		2,358,997	2,600,273
UNITED ARAB EMIRATES—2.8%			
USD 459	Aldar Properties PJSC, (fixed rate to 01/15/2032, variable rate thereafter), 6.62%, 01/15/2032 ^{(a)(b)}	658,888	634,221
USD 330	DP World Ltd., 6.85%, 07/02/2037 ^(b)	561,246	498,157
USD 1,000	MAF Global Securities Ltd., (fixed rate to 06/30/2027, variable rate thereafter), 7.88%, 06/30/2027 ^{(b)(c)}	1,294,531	1,416,481
USD 250	Sobha Sukuk Ltd., 8.75%, 07/17/2028 ^{(a)(b)}	351,596	351,996
Total United Arab Emirates		2,866,261	2,900,855
UNITED KINGDOM—4.4%			
SGD 1,250	Barclays PLC, (fixed rate to 03/15/2030, variable rate thereafter), 5.40%, 03/15/2030 ^{(b)(c)}	1,297,127	1,303,833
USD 820	HSBC Holdings PLC, (fixed rate to 03/07/2028, variable rate thereafter), 8.00%, 03/07/2028 ^(c)	1,125,405	1,174,094

Schedule of Investment Portfolio (unaudited) (continued)

As of April 30, 2025

Principal Amount (000)	Description	Cost (C\$)	Carrying Value (C\$)
CORPORATE BONDS (continued)			
UNITED KINGDOM (continued)			
USD 1,000	Standard Chartered PLC, (fixed rate to 08/15/2027, variable rate thereafter), 7.75%, 08/15/2027 ^{(b)(c)}	\$ 1,305,303	\$ 1,402,558
USD 500	Standard Chartered PLC, (fixed rate to 03/08/2030, variable rate thereafter), 7.88%, 03/08/2030 ^{(b)(c)}	678,675	690,568
Total United Kingdom		4,406,510	4,571,053
UNITED STATES—1.2%			
USD 850	Hyundai Capital America, 6.38%, 04/08/2030 ^{(a)(b)}	1,380,714	1,225,163
UZBEKISTAN—0.4%			
USD 331	Navoi Mining & Metallurgical Combinat, 6.95%, 10/17/2031 ^(b)	453,851	459,855
Total Corporate Bonds		57,321,407	56,034,255
GOVERNMENT BONDS—60.5%			
ANGOLA—0.4%			
USD 350	Angola Government International Bonds, 9.50%, 11/12/2025 ^(b)	491,182	471,667
BRAZIL—2.3%			
BRL 6,500	Brazil Notas do Tesouro Nacional, 10.00%, 01/01/2029	1,591,107	1,425,427
BRL 4,700	Brazil Notas do Tesouro Nacional, 10.00%, 01/01/2033	1,117,674	943,866
Total Brazil		2,708,781	2,369,293
CAMEROON—0.5%			
USD 450	Republic of Cameroon International Bonds, 9.50%, 07/31/2031 ^{(b)(f)}	591,157	547,477
DOMINICAN REPUBLIC—0.7%			
DOP 25,000	Dominican Republic International Bonds, 13.63%, 02/03/2033 ^{(a)(b)}	743,600	679,737
EGYPT—0.7%			
USD 500	Egyptian Financial Co. for Sovereign Taskeek, 10.88%, 02/28/2026 ^(b)	715,490	708,345
INDIA—9.9%			
INR 185,000	India Government Bonds, 7.36%, 09/12/2052	3,016,304	3,217,162
INR 400,000	India Government Bonds, 7.54%, 05/23/2036	6,527,608	7,057,982
Total India		9,543,912	10,275,144
INDONESIA—24.9%			
USD 1,970	Indonesia Government International Bonds, 8.50%, 10/12/2035 ^(b)	3,588,647	3,385,937
IDR 60,300,000	Indonesia Treasury Bonds, 6.50%, 02/15/2031	5,324,907	4,955,925
IDR 49,500,000	Indonesia Treasury Bonds, 8.25%, 05/15/2029	4,619,780	4,349,975
IDR 64,000,000	Indonesia Treasury Bonds, 9.00%, 03/15/2029	6,429,506	5,744,703
IDR 75,927,000	Indonesia Treasury Bonds, 10.50%, 08/15/2030	10,068,550	7,330,071
Total Indonesia		30,031,390	25,766,611
IVORY COAST—0.9%			
USD 720	Ivory Coast Government International Bonds, 8.25%, 01/30/2037 ^{(b)(f)}	951,140	918,445
KAZAKHSTAN—0.8%			
KZT 311,000	Development Bank of Kazakhstan JSC, 10.95%, 05/06/2026 ^(b)	887,691	792,970
MEXICO—1.8%			
MXN 26,500	Mexico Bonos, 8.50%, 05/31/2029	2,041,152	1,849,736
MONGOLIA—1.4%			
USD 800	Mongolia Government International Bonds, 7.88%, 06/05/2029 ^(b)	1,075,285	1,112,997
USD 250	Mongolia Government International Bonds, 8.65%, 01/19/2028 ^(b)	336,696	356,160
Total Mongolia		1,411,981	1,469,157
NIGERIA—0.7%			
USD 550	Nigeria Government International Bonds, 8.75%, 01/21/2031 ^(b)	784,082	700,392
PAKISTAN—7.4%			
USD 1,140	Pakistan Global Sukuk Programme Co. Ltd., 7.95%, 01/31/2029 ^(b)	1,446,733	1,380,261
USD 260	Pakistan Government International Bonds, 7.38%, 04/08/2031 ^(b)	220,806	281,587
PKR 1,245,000	Pakistan Treasury Bills, 15.88%, 05/29/2025	5,238,472	6,041,428
Total Pakistan		6,906,011	7,703,276

Schedule of Investment Portfolio (unaudited) (continued)

As of April 30, 2025

Principal Amount (000)	Description	Cost (C\$)	Carrying Value (C\$)
GOVERNMENT BONDS (continued)			
PHILIPPINES—4.5%			
PHP 71,660	Philippines Government Bonds, 9.25%, 11/05/2034	\$ 1,907,624	\$ 2,143,483
PHP 105,000	Philippines Government International Bonds, 6.25%, 01/14/2036	2,907,345	2,527,066
Total Philippines		4,814,969	4,670,549
SAUDI ARABIA—0.4%			
USD 300	Saudi Government International Bonds, 5.75%, 01/16/2054 ^(b)	405,264	390,999
SOUTH AFRICA—1.5%			
ZAR 25,000	Republic of South Africa Government Bonds, 8.50%, 01/31/2037	1,620,319	1,535,556
TAJIKISTAN—0.8%			
USD 583	Republic of Tajikistan International Bonds, 7.13%, 09/14/2027 ^{(b)(f)}	765,405	786,745
URUGUAY—0.9%			
UYU 30,000	Uruguay Government International Bonds, 8.25%, 05/21/2031	829,630	919,887
Total Government Bonds		66,243,156	62,555,986
SUPRANATIONAL—15.2%			
INR 102,000	Asian Infrastructure Investment Bank, 6.65%, 06/30/2033 ^(b)	1,624,105	1,655,589
INR 300,000	European Investment Bank, 7.40%, 10/23/2033 ^(b)	5,046,699	5,137,897
INR 250,000	Inter-American Development Bank, 7.00%, 08/08/2033	4,100,107	4,183,020
INR 280,000	Corp. Andina de Fomento, 8.25%, 04/26/2034	4,786,512	4,797,152
Total Supranational		15,557,423	15,773,658
Total Investments—129.9%^(g)		C\$ 139,121,986	C\$ 134,363,899
Liabilities in Excess of Other Assets—(29.9%)			(30,919,308)
Net Assets Attributable to Holders of Shares—100.0%			C\$ 103,444,591

(a) The maturity date presented for these instruments represents the next call/put date.

(b) Denotes a security issued under Regulation S or Rule 144A.

(c) Perpetual maturity. Maturity date presented represents the next call date.

(d) Security is in default.

(e) Illiquid security.

(f) Sinkable security.

(g) See accompanying Notes to Financial Statements for tax unrealized appreciation/(depreciation) of securities.

AUD Australian Dollar

BRL Brazilian Real

DOP Dominican Republic Peso

IDR Indonesian Rupiah

INR Indian Rupee

KZT Kazakhstan Tenge

MTN Medium Term Note

MXN Mexican Peso

PHP Philippine Peso

PKR Pakistan Rupee

PLC Public Limited Company

SGD Singapore Dollar

USD U.S. Dollar

UYU Uruguayan Peso

ZAR South African Rand

Schedule of Investment Portfolio (unaudited) (concluded)

As of April 30, 2025

At April 30, 2025, Company's open forward foreign cross currency contracts were as follows:

Purchase/Sale Settlement Date	Counterparty		Amount Purchased		Amount Sold	Contract Value	Fair Value (C\$)	Unrealized Appreciation/ (Depreciation) (C\$)
Mexican Peso/United States Dollar								
05/02/2025	HSBC Bank PLC	MXN	25,700,000	USD	1,310,840	\$1,816,384	\$ 1,816,038	\$ (346)
United States Dollar/Mexican Peso								
05/02/2025	HSBC Bank PLC	USD	1,232,573	MXN	25,700,000	1,764,181	1,656,633	(107,548)
07/11/2025	HSBC Bank PLC	USD	1,298,669	MXN	25,700,000	1,803,397	1,802,138	(1,259)
United States Dollar/Singapore Dollar								
06/27/2025	Goldman Sachs & Co.	USD	955,090	SGD	1,250,000	1,323,802	1,316,813	(6,989)
							\$6,591,622	\$(116,142)

At April 30, 2025, the Company held the following over-the-counter interest rate swaps:

Currency	Notional Amount	Expiration Date	Counterparty	Receive (Pay) Floating Rate	Floating Rate Index	Fixed Rate	Frequency of Payments Made	Premiums Paid (Received) (C\$)	Value (C\$)	Unrealized Appreciation/ (Depreciation) (C\$)
USD	3,100,000	03/17/2030	UBS AG	Receive	12-month SOFR	(3.47%)	Annually	\$-	\$ (20,081)	\$ (20,081)
USD	10,000,000	03/17/2032	UBS AG	Receive	12-month SOFR	(3.38%)	Annually	-	84,152	84,152
USD	10,000,000	03/17/2033	UBS AG	Receive	12-month SOFR	(3.37%)	Annually	-	159,789	159,789
USD	9,500,000	04/06/2033	UBS AG	Receive	12-month SOFR	(3.14%)	Annually	-	357,842	357,842
								\$-	\$581,702	\$581,702

See accompanying Notes to Financial Statements.

Notes to Financial Statements (unaudited)

April 30, 2025

1. Organisation

abrdn Asia-Pacific Income Fund VCC (the "Company") is a Singapore variable capital company ("VCC"). The Company was organized as a closed-end investment company under the laws of Cook Islands on April 15, 1986. The Company registered as a Singapore VCC on November 1, 2021 under the laws of the Republic of Singapore. The Company transferred its domicile to Singapore by way of deregistration in the Cook Islands effective as of December 16, 2021 (the "Re-domiciliation") and as of that date began operating as a Singapore VCC, subject to relevant Singapore rules and regulations for Singapore VCCs. In connection with the Re-domiciliation, the Company changed its name to its current name, and changed its registered and principal office to the office of abrdn Asia, its investment manager, which is currently located at 7 Straits View, #23-04 Marina One East Tower, Singapore 018936. The Company's Shares are listed on the Toronto Stock Exchange.

The financial statements of the Company include the Statements of Financial Position as at April 30, 2025 and October 31, 2024 and the Statements of Comprehensive Income/(Loss), Statements of Changes in Shareholders' Equity and Statements of Cash Flows for the six-month periods ended April 30, 2025 and April 30, 2024.

The investment objective of the Company is to obtain current income and achieve incidental capital appreciation from investment in long-term debt securities.

2. Basis of Presentation

a. Statement of Compliance

These financial statements have been prepared in compliance with IFRS Accounting Standards. The Company has one operating segment. The changes to material accounting policies are described in Note 4.

The financial statements were authorized for issue by the Board of Directors on June 18, 2025.

b. Basis of Measurement

The financial statements have been prepared on a historical cost basis except for investments and derivatives, which are measured at fair value.

c. Functional and Presentation Currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

3. Use of Judgments and Estimates

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

a. Judgments

Determination of functional currency

The functional currency is the currency of the primary economic environment in which the Company operates. If indicators of the primary economic environment are mixed, then management uses its judgment to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The majority of the Company's transactions, including investor subscriptions and redemptions, are denominated in Canadian dollars. Accordingly, management has determined that the functional currency of the Company is Canadian dollars.

b. Assumptions and estimates

Measurement of fair values

Information about assumptions and estimates that have a significant risk of resulting in a material adjustment in the six-month period ended April 30, 2025 is included in Note 5 and relates to the determination of fair value of financial instruments with significant unobservable inputs.

4. Changes in Material Accounting Policies

The Company adopted Disclosures of Accounting Policies (Amendments to IAS 1, and IFRS Practice Statement 2) from November 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance in the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 5 Material Accounting Policies (2023: Significant Accounting Policies) in certain instances in line with the amendments.

5. Material Accounting Policies

The following is a summary of the material accounting policies followed by the Company in the preparation of its financial statements:

Fair Value of Investments

- The classification and measurement of financial instruments under International Financial Reporting Standard 9, Financial Instruments ("IFRS 9") is determined based on the business model of the Company as well as its cash flow characteristics. abrdn Asia Limited (the "Investment Manager") has assessed the Company's

Notes to Financial Statements (unaudited) (continued)

April 30, 2025

business model and determined that the focus is on fair valuation of financial instruments, which is used to assess the Company's performance, and what the Investment Manager uses to make decisions about the Company. The collection of contractual cash flows is incidental to the Company's objective. Therefore, the Investment Manager concluded fair value through profit and loss ("FVTPL") is the most appropriate measurement and presentation of the Company's financial instruments. All other financial assets and liabilities are measured at amortized cost. Under the amortized cost method, financial assets and liabilities reflect the amount required to be received or paid, discounted at the contract's effective interest rate.

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial instruments are required to be classified into one of the following categories: FVTPL, amortized cost, or fair value through comprehensive income. The Company measures financial instruments at fair value on initial recognition. Measurement in subsequent periods depend on the classification of the financial instrument. Transaction costs are included in the initial carrying amount of financial instruments except for financial instruments classified as held-for-trading or FVTPL, in which case transaction costs are expensed as

incurred. The Company's accounting policies for measuring the fair value of its investments are identical to those used in measuring its net asset value ("NAV") for transactions with shareholders.

The Company's derivative financial assets and derivative financial liabilities are classified as FVTPL. The Company's investments at fair value are designated as FVTPL at origination. Financial assets and financial liabilities held for trading or designated at FVTPL are recognized initially on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated. Financial assets are de-recognised when the rights to receive cash flows from the investments that expired or the Company has transferred substantially all of the risks and rewards of ownership. Upon disposal, the difference between the amount received and the average cost to acquire the financial asset is included in "realised gains/(losses) on investments" in the Statements of Comprehensive Income/(Loss). Subsequent to initial recognition, all financial assets and liabilities at FVTPL are measured at fair value. Gains and losses arising from change in fair value, futures contracts and interest rate swaps are presented separately in the Statements of Comprehensive Income/(Loss) in "change in unrealised appreciation/(depreciation)" in the period in which they arise.

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

Fair value is the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets, such as publicly traded derivatives, is based on quoted market prices at the close of trading on the reporting date. The fair value of fixed income securities is based on the last bid price on the reporting date. Pricing services generally price debt securities assuring orderly transactions of an institutional "round lot" size, and the strategies employed by the Company's investment adviser generally trade in round lot sizes. In certain circumstances, some trades may occur in smaller, "odd lot" sizes, which may be effected at lower or higher prices than institutional round lot trades.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

Notes to Financial Statements (unaudited) (continued)

April 30, 2025

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features; and
- prepayment and extension features.

The fair value of financial assets and liabilities that are not traded in an active market, including the Company's interest rate swaps, is determined using various valuation techniques and observable market inputs where possible. These techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same and broker quotes. Foreign currency forward contracts are recorded in the Statements of Financial Position according to the gain or loss that would be realized if the contracts were closed out on the valuation date.

Other financial assets are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent measurement of loans and receivables is at amortized cost using the effective interest method, less any impairment losses. The Company classifies cash, cash at broker, unsettled trades, and interest receivables as loans and receivables. At each reporting date, the Company assesses whether there is objective evidence that a financial asset at amortized cost is impaired. If such evidence exists, the Company recognizes an impairment loss as the difference between the amortized cost of the financial asset and the

present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. Impairment losses on financial assets at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method. The Company's other financial liabilities are comprised of due to broker, unsettled trades, bank loans, taxes payable, and accrued liabilities.

IFRS establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement). The three levels of the fair value hierarchy are as follows:

Level 1: Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3: Inputs that are unobservable. There is little market activity. Inputs into the determination of fair value require significant management judgment or estimation.

If inputs of different levels are used to measure the fair value of an asset or liability, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. The following tables illustrate the classification of the Company's assets and liabilities measured at fair value within the fair value hierarchy as at April 30, 2025, October 31, 2024 and April 30, 2024.

Notes to Financial Statements (unaudited) (continued)

April 30, 2025

Investments, at Value	As at April 30, 2025			
	Level 1 – Quoted Prices (C\$)	Level 2 – Other Significant Observable Inputs (C\$)	Level 3 – Significant Unobservable Inputs (C\$)	Total (C\$)
Assets				
Investments in Securities				
Corporate Bonds	\$–	\$ 56,034,255	\$–	\$ 56,034,255
Government Bonds	–	62,555,986	–	62,555,986
Supranational	–	15,773,658	–	15,773,658
Total Investments	\$–	\$134,363,899	\$–	\$134,363,899
Other Financial Instruments				
Interest Rate Swap Agreements	\$–	\$ 601,783	\$–	\$ 601,783
Total Investment Assets	\$–	\$134,965,682	\$–	\$134,965,682
Liabilities				
Other Financial Instruments				
Foreign Currency Exchange Contracts	\$–	\$ (116,142)	\$–	\$ (116,142)
Interest Rate Swap Agreements	–	(20,081)	–	(20,081)
Total Investment Liabilities	\$–	\$ (136,223)	\$–	\$ (136,223)

Amounts listed as “–” are C\$0 or round to C\$0.

As at April 30, 2025, there had been no significant transfers between fair value measurement levels.

Investments, at Value	As at October 31, 2024			
	Level 1 – Quoted Prices (C\$)	Level 2 – Other Significant Observable Inputs (C\$)	Level 3 – Significant Unobservable Inputs (C\$)	Total (C\$)
Assets				
Investments in Securities				
Corporate Bonds	\$–	\$ 83,270,664	\$–	\$ 83,270,664
Government Bonds	–	83,909,385	–	83,909,385
Total Investments	\$–	\$ 167,180,049	\$–	\$ 167,180,049
Other Financial Instruments				
Foreign Currency Exchange Contracts	\$–	\$ 45,846	\$–	\$ 45,846
Interest Rate Swap Agreements	–	2,152,360	–	2,152,360
Total Other Financial Instruments	–	2,198,206	–	2,198,206
Total Investment Assets	\$–	\$169,378,255	\$–	\$169,378,255
Liabilities				
Other Financial Instruments				
Foreign Currency Exchange Contracts	\$–	\$ (219,781)	\$–	\$ (219,781)
Total Investment Liabilities	\$–	\$ (219,781)	\$–	\$ (219,781)

Amounts listed as “–” are C\$0 or round to C\$0.

Notes to Financial Statements (unaudited) (continued)

April 30, 2025

As at October 31, 2024, there had been no significant transfers between fair value measurement levels.

Investments, at Value	As at April 30, 2024			
	Level 1 – Quoted Prices (C\$)	Level 2 – Other Significant Observable Inputs (C\$)	Level 3 – Significant Unobservable Inputs (C\$)	Total (C\$)
Assets				
Investments in Securities				
Corporate Bonds	\$–	\$ 69,935,591	\$–	\$ 69,935,591
Government Bonds	–	91,096,208	–	91,096,208
Total Investments	\$–	\$161,031,799	\$–	\$161,031,799
Other Financial Instruments				
Interest Rate Swap Agreements	\$–	\$ 3,682,111	\$–	\$ 3,682,111
Total Investment Assets	\$–	\$164,713,910	\$–	\$164,713,910
Liabilities				
Other Financial Instruments				
Foreign Currency Exchange Contracts	\$–	\$ (34,119)	\$–	\$ (34,119)
Total Investment Liabilities	\$–	\$ (34,119)	\$–	\$ (34,119)

Amounts listed as “–” are C\$0 or round to C\$0.

As at April 30, 2024, there had been no significant transfers between fair value measurement levels.

A reconciliation of the gross amounts on the Statement of Financial Position as at April 30, 2025, October 31, 2024 and April 30, 2024 to the net amounts by broker and derivative type, including collateral received or pledged, is included in the following tables.

Description	As at April 30, 2025							
	Gross Amounts Not Offset in the Statements of Financial Position				Gross Amounts Not Offset in the Statements of Financial Position			
	Gross Amounts of Assets Presented in Statements of Financial Position				Gross Amounts of Liabilities Presented in Statements of Financial Position			
		Financial Instruments	Collateral Received	Net Amount		Financial Instruments	Collateral Pledged	Net Amount
	Assets (C\$)				Liabilities (C\$)			
Foreign Currency Exchange Contracts								
Goldman Sachs & Co.	\$–	\$–	\$–	\$–	\$6,989	\$–	\$–	\$6,989
HSBC Bank PLC	–	–	–	–	109,153	–	–	109,153
Interest Rate Swap Agreements								
UBS AG	601,783	(20,081)	(344,650)	237,052	20,081	(20,081)	–	–

Amounts listed as “–” are C\$0 or round to C\$0.

Notes to Financial Statements (unaudited) (continued)

April 30, 2025

As at October 31, 2024								
Description	Gross Amounts of Assets Presented in Statements of Financial Position	Gross Amounts Not Offset in the Statements of Financial Position			Gross Amounts of Liabilities Presented in Statements of Financial Position	Gross Amounts Not Offset in the Statements of Financial Position		
		Financial Instruments	Collateral Received	Net Amount		Financial Instruments	Collateral Pledged	Net Amount
	Assets (C\$)					Liabilities (C\$)		
Foreign Currency Exchange Contracts								
Citigroup Global Markets	\$–	\$–	\$–	\$–	\$79,215	\$–	\$–	\$79,215
HSBC Bank PLC	45,846	(45,846)	–	–	140,566	(45,846)	–	94,720
Interest Rate Swap Agreements								
UBS AG	2,152,360	–	(1,336,656)	815,704	–	–	–	–

Amounts listed as “–” are C\$0 or round to C\$0.

As at April 30, 2024								
Description	Gross Amounts of Assets Presented in Statements of Financial Position	Gross Amounts Not Offset in the Statements of Financial Position			Gross Amounts of Liabilities Presented in Statements of Financial Position	Gross Amounts Not Offset in the Statements of Financial Position		
		Financial Instruments	Collateral Received	Net Amount		Financial Instruments	Collateral Pledged	Net Amount
	Assets (C\$)					Liabilities (C\$)		
Foreign Currency Exchange Contracts								
HSBC Bank PLC	\$–	\$–	\$–	\$–	\$34,119	\$–	\$–	\$34,119
Interest Rate Swap Agreements								
UBS AG	3,682,111	–	(2,190,258)	1,491,853	–	–	–	–

Amounts listed as “–” are C\$0 or round to C\$0.

Investment Income, Expenses and Dividends

Interest income is recorded on an accrual basis as earned. Expenses are recorded on an accrual basis. Bond premium and discount, as applicable, are recognised at disposition as realised gains or losses. Gains and losses on the disposal of investments are determined using the identified cost basis. It is the Company’s current policy to pay dividends to holders of Shares from net investment income supplemented by net realised foreign exchange gains, net realised capital gains and return of capital, if necessary, on a monthly basis. Dividends to holders of Shares are recorded on the ex-dividend date.

Interest Rate Swaps

During the six-month period ended April 30, 2025, the Company used U.S. Dollar interest rate swaps to hedge the U.S. Dollar revolving credit

facility, helping to manage the overall mixture of fixed rate and floating rate liabilities. A swap is an agreement that obligates two parties to exchange a series of cash flows at specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified amount of an underlying asset or notional principal amount. The Company will enter into swaps only on a net basis, which means that the two payment streams are netted out, with the Company receiving or paying, as the case may be, only the net amount of the difference between the two payments. Risks may arise as a result of the failure of the counterparty to the swap contract to comply with the terms of the swap contract. The loss incurred by the failure of a counterparty is generally limited to the net interest payment to be received by the Company, and/or the termination value at the end of the contract. Therefore, the Company considers the creditworthiness

Notes to Financial Statements (unaudited) (continued)

April 30, 2025

of each counterparty to a swap contract in evaluating potential credit risk. Additionally, risks may arise from unanticipated movements in interest rates or in the value of the underlying reference asset or index. The Company records, on a daily basis, unrealised gains or losses which represent the value and the current net receivable or payable relating to open swap contracts. Net amounts received or paid on the swap contract are recorded as realised gains or losses. Fluctuations in the value of swap contracts are recorded for financial statement purposes as unrealised appreciation or depreciation of swap contracts. Realised gains and losses from terminated swaps are included in net realised gains/losses on swap contracts transactions.

The Company is a party to International Swap Dealers Association, Inc. Master Agreements ("ISDA Master Agreements"). These agreements are with select counterparties and they govern transactions, including certain over-the-counter derivative and foreign exchange contracts, entered into by the Company and the counterparty. The ISDA Master Agreements maintain provisions for general obligations, representations, agreements, collateral, and events of default or termination. The occurrence of a specified event of termination may give a counterparty the right to terminate all of its contracts and affect settlement of all outstanding transactions under the applicable ISDA Master Agreement.

Forward Foreign Currency Exchange Contracts

A forward foreign currency exchange contract ("forward contract") involves an obligation to purchase and sell a specific currency at a future date at a price set at the time of the contract. Forward contracts are used to manage the Company's currency exposure in an efficient manner. They are used to sell unwanted currency exposure that comes with holding securities in a market, or to buy currency exposure where the exposure from holding securities is insufficient to give the desired currency exposure either in absolute terms or relative to the benchmark. Their use allows the separation of decision making between markets and currencies. The forward contract is marked-to-market daily and the change in market value is recorded by the Company as unrealised appreciation or depreciation. Forward contract prices are received daily from an independent pricing provider. When the forward contract is closed, the Company records a realised gain or loss equal to the difference between the value at the time it was opened and the value at the time it was closed. These unrealised and realised gains and losses are reported on the Statements of Comprehensive Income/(Loss).

While the Company may enter into forward contracts to seek to reduce currency exchange rate risks, transactions in such contracts involve certain risks. The Company could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts and from unanticipated movements in exchange rates. Thus, while the Company may benefit from such transactions, unanticipated

changes in currency prices may result in a worse overall performance for the Company than if it had not engaged in any such transactions. Moreover, there may be imperfect correlation between the Company's portfolio holdings or securities quoted or denominated in a particular currency and forward contracts entered into by the Company. Such imperfect correlation may cause the Company to sustain losses, which will prevent the Company from achieving a complete hedge, or expose the Company to the risk of foreign exchange loss.

Forward contracts are subject to the risks that the counterparties to such contracts will default on their obligations. Since a forward foreign currency exchange contract is not guaranteed by an exchange or clearing house, a default on the contract would deprive the Company of unrealised profits, transaction costs or the benefits of a currency hedge or force the Company to cover its purchase or sale commitments, if any, at the current market price.

Futures Contracts

The Company may invest in financial futures contracts ("futures contracts") for the purpose of hedging its existing portfolio securities or securities that the Company intends to purchase against fluctuations in value caused by changes in prevailing market interest rates or prices. Futures contracts may also be entered into for non hedging purposes. However, in those instances, the aggregate initial margin and premiums required to establish the Company's positions may not exceed 5% of the Company net asset value after taking into account unrealised profits and unrealised losses on any such contract it has entered into.

Upon entering into a futures contract, the Company is required to pledge to the broker an amount of cash and/or other assets equal to a certain percentage of the contract amount. This payment is known as "initial margin." Subsequent payments, known as "variation margin," are calculated each day, depending on the daily fluctuations in the fair value/market value of the underlying assets. An unrealised gain or loss equal to the variation margin is recognised on a daily basis. When the contract expires or is closed the gain/(loss) is realised and is presented in the Statements of Comprehensive Income/(Loss) as a realised gain/(loss) on futures contracts. Futures contracts are valued daily at their last quoted sale price on the exchange they are traded.

A "sale" of a futures contract means a contractual obligation to deliver the securities or foreign currency called for by the contract at a fixed price at a specified time in the future. A "purchase" of a futures contract means a contractual obligation to acquire the securities or foreign currency at a fixed price at a specified time in the future.

There are significant risks associated with the Company's use of futures contracts, including the following: (1) the success of a hedging strategy may depend on the Investment Manager's and the Investment sub-adviser's ability to predict movements in the prices of individual

Notes to Financial Statements (unaudited) (continued)

April 30, 2025

securities, fluctuations in markets and movements in interest rates; (2) there may be an imperfect or no correlation between the movement in the price of futures contracts, interest rates and the value/market value of the securities held by the Company; (3) there may not be a liquid secondary market for a futures contract; (4) trading restrictions or limitations may be imposed by an exchange; and (5) government regulations may restrict trading in futures contracts. In addition, should market conditions change unexpectedly, the Company may not achieve the anticipated benefits of the futures contracts and may realise a loss.

Foreign Currency Translation

The books and records of the Company are maintained in Canadian Dollars. Foreign currency amounts are translated into Canadian Dollars at the closing market rate quoted on the following bases:

- i) Market value of investments, other assets, and liabilities are translated at the closing price of the New York Stock Exchange at the rate of exchange ruling at the period end; the resultant unrealised exchange appreciation and depreciation are included in the Statements of Comprehensive Income/(Loss) as part of the unrealised movement in the appreciation/(depreciation) of investments and as unrealised exchange appreciation/(depreciation) on translation of the foreign currency denominated assets and liabilities.
- ii) Purchases and sales of investments are translated at the bid London close rate of exchange ruling on the date of the transaction; the resultant exchange gains and losses on settlement are included in the Statements of Comprehensive Income/(Loss) as realised gains/(losses) on investments and foreign currency transactions.
- iii) Income and expenses are translated at the London close rate of exchange ruling on the date of the transaction; the resultant exchange gains and losses arising on settlement are taken into account in determining net investment income.

Operating Segment

The Company is considered to be a single operating segment. The Investment Manager's asset allocation decisions are based on a single, integrated investment strategy, and the Company's performance is evaluated on an overall basis.

6. Taxation

The Company is subject to withholding taxes in certain countries and on certain types of securities and forms of income. Capital gains generated by the Company from securities held in foreign countries may be subject to capital gains taxes imposed by such countries. The Company accrues capital gains taxes on unrealised gains in an amount

equal to what the Company would owe if the securities were sold on the valuation date as a liability and reduction of realised/unrealised gains.

7. Related Party Transactions

The Company's Canadian administrator, investment manager and investment sub-adviser are each a subsidiary of abrdn Holdings. abrdn Holdings is a direct subsidiary of abrdn plc. The Company's Canadian administrator, investment manager and investment sub-adviser are each an indirect wholly owned subsidiary of abrdn plc.

- i) The Company has an agreement (the "Management Agreement") with abrdn Asia to provide professional investment management services. The Management Agreement provides for a monthly fee at the annual rate of 0.65% of the Company's average weekly Managed Assets up to and including C\$250 million, at the annual rate of 0.55% of the Company's average weekly Managed Assets in excess of C\$250 million up to and including C\$450 million, and at the annual rate of 0.50% of the Company's average weekly Managed Assets in excess of C\$450 million, payable monthly. Managed Assets are defined in the Management Agreement as net assets plus the amount of any borrowings for investment purposes. On June 20, 2022, the Board authorized the Company to enter into an Expense Limitation Agreement with abrdn Asia Limited pursuant to which the total ordinary operating expenses of the Company (excluding any leverage costs, taxes, interest, brokerage fees, short sale dividend and interest expenses and non-routine expenses) in any fiscal year will be capped at 1.20% of the average daily managed assets of the Company on an annualized basis and, thereafter from year to year unless terminated earlier. The total amount waived for the fiscal year ended October 31, 2024 and the six-month period ended April 30, 2025 pursuant to the Expense Limitation Agreement were C\$326,242 and C\$157,923, respectively.

The Investment Manager may request and receive reimbursement from the Company of the management fees waived and other expenses reimbursed pursuant to the Expense Limitation Agreement as of a date not more than three years after the date when the Investment Manager limited the fees or reimbursed the expenses; provided that the following requirements are met: the reimbursements do not cause the Company to exceed the lesser of the applicable expense limitation in the contract at the time the fees were limited or expenses are paid or the applicable expense limitation in effect at the time the expenses are being recouped by the Investment Manager, and the payment of such reimbursement is approved by the Board on a quarterly basis (the "Reimbursement Requirements"). Except as provided for in the Expense Limitation Agreement, reimbursement of amounts previously waived or assumed by the Investment Manager is not

Notes to Financial Statements (unaudited) (continued)

April 30, 2025

permitted. As of April 30, 2025, to the extent the Reimbursement Requirements are met, the cumulative potential reimbursements to the Investment Manager from the Company based on expenses reimbursed by the Investment Manager, including adjustments described above, would be:

Amount Fiscal Year 2022 (Expires 10/31/25)	C\$ 77,019
Amount Fiscal Year 2023 (Expires 10/31/26)	C\$ 377,861
Amount Fiscal Year 2024 (Expires 10/31/27)	C\$ 326,242
Amount Fiscal Year 2025 (Expires 10/31/28)	C\$ 157,923
Total*	C\$939,045

* Amounts reported are due to expire throughout the respective 3-year expiration period presented above.

ii) The Company has an agreement (the "Administration Agreement") with abrdn Canada Limited, an affiliate of abrdn Asia, to oversee the Company's compliance with Canadian securities laws' requirements. The Administration Agreement provides for a monthly fee at an annual rate of 0.125% of the Company's average weekly Managed Assets up to and including C\$1 billion, 0.10% of the Company's average weekly Managed Assets in excess of C\$1 billion up to and including C\$2 billion, and 0.075% of the Company's average weekly Managed Assets in excess of C\$2 billion, payable monthly.

In order to qualify for an exemption from income tax in Singapore, the Company must be an "approved person". For the purpose of its application to be an "approved person" pursuant to section 13U of the Income Tax Act, 1947 and the Income Tax (Exemption of Income Arising from Funds Managed in Singapore by Fund

Manager) Regulations 2010, among other conditions, the Company is required to have a Singapore based administrator. On September 15, 2021, the Board of Directors of the Company approved the execution by the Company of an administrative services agreement (the "Singapore Administration Agreement") between the Company and State Street. State Street is not a related party of abrdn Asia or its affiliates. The Singapore Administration Agreement was entered into effective concurrently with the Re-domiciliation on December 16, 2021.

iii) The Company has an agreement (the "Investor Relations Services Agreement") with abrdn Inc. to provide investor relations services.

Pursuant to the terms of the Investor Relations Services Agreement, abrdn Inc. provides, among other things, objective and timely information to holders of Shares based on publicly available information; provides information efficiently through the use of technology while offering holders of Shares immediate access to knowledgeable investor relations representatives; creates and maintains investor relations communication materials such as Company manager interviews, films and webcasts and other relevant materials discussing the Company's investment results, portfolio positioning and outlook; responds to specific holder of Shares questions; and reports activities and results to the Company's Board of Directors and management detailing insight into general holder of Shares sentiment. Investor relations fees and expenses in the Statements of Comprehensive Income/(Loss) include certain out-of-pocket expenses.

The Company owed, in respect of the above services:

	As at April 30, 2025 C\$	As at October 31, 2024 C\$	As at April 30, 2024 C\$
Investment Manager	47,439	78,187	60,812
Administrators	17,815	20,599	19,516
Investor Relations	7,578	8,284	7,993

During the fiscal year, the Company paid, in respect of the above services:

	Six months ended April 30, 2025 C\$	Fiscal year ended October 31, 2024 C\$	Six months ended April 30, 2024 C\$
Investment Manager	549,182	1,219,308	616,254
Administrators	105,612	219,732	112,518
Investor Relations	50,612	97,936	48,488

8. Capital

The Shares of the Company may be redeemed pursuant to an annual redemption feature that was included in the VCC Constitution of the

Company and became effective upon the Company's redomiciliation to Singapore and was amended at the Annual General and Special Meeting of Shareholders on March 14, 2025. Shareholders approved amendments to the VCC Constitution to (i) eliminate the current 10%

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April 30, 2025

cap on the annual redemption so that shareholders would be permitted to tender for redemption, when redemption conditions are met, up to 100% of the outstanding shares commencing in 2026 (the "Amended Redemption Policy"); and (ii) provide the Board of the Company, abrdn Canada Limited and abrdn Asia Limited with the discretion to terminate and wind-up the Company if, in the opinion of the Board, it is no longer economically practical to continue the Company or it would be in the best interest of the Company and the shareholders to terminate the Company. Under the Amended Redemption Policy, if the volume weighted average trading price of the shares of the Company ("Shares") on the Toronto Stock Exchange during the 12 month period ending on the last business day of December (the "Trading Discount Determination Date") of each year represents a discount greater than 12% of the average daily net asset value per Share during such period, up to 100% of the aggregate issued and outstanding Shares of the Company may be surrendered for redemption on the last business day of March of the calendar year following the Trading Discount Determination Date (the "Redemption Date"). A shareholder whose Shares are redeemed on a Redemption Date shall be entitled to receive a cash redemption price per Share equal to the Average Net Asset Value per Share calculated on the Redemption Date less any expenses and charges incurred by the Company in order to fund such redemption payment (the "Redemption Proceeds"). The "Average Net Asset Value per Share" means the arithmetic average of the net asset values per Share calculated on the three trading days immediately preceding the relevant redemption date. Payment of the Redemption Proceeds for such redeemed Shares shall be made to the shareholder by no later than the 15th business day following the Redemption Date.

In light of the Amended Redemption Policy and the possibility that significant redemptions could result in the Company no longer being economically viable, the Board may determine, commencing in 2026, following the announcement of an annual redemption, that it is in the best interest of the Company and its shareholders to terminate the Company. Factors that the Board may take into consideration at this time may include the liquidity of the shares and higher share price volatility following a significant redemption. If the Board makes such a determination, it has the discretion to terminate the Company, subject to providing the required notice by way of a press release and compliance with all relevant laws (including, without limitation, the VCC Act). Consequently, if a notice of termination has been provided by way of a press release issued not less than 15 days prior to the Redemption Date, the annual redemption will not proceed and the Company will proceed with a complete liquidation.

On March 31, 2025, the Company announced that 3,697,577 Shares accepted for the 2025 voluntary cash redemption were redeemed at a rounded price of \$3.26 per Share in Canadian dollars. This price was equal to 100% of the average net asset value per Share based on the

three business days preceding the redemption date of March 31, 2025, less direct costs.

The Company is authorized to issue up to 100,000,000 Shares without par value. At April 30, 2025, there were 33,295,277 Shares outstanding. All Shares are equal as to dividends, assets and voting privileges and have no conversion, preemptive or other subscription rights.

Six Months Ended April 30, 2025

Shares outstanding at November 1, 2024	36,992,854
Shares redeemed	(3,697,577)
Shares outstanding at April 30, 2025	33,295,277

Fiscal Year Ended October 31, 2024

Shares outstanding at November 1, 2023	41,103,165
Shares redeemed	(4,110,311)
Shares outstanding at October 31, 2024	36,992,854

Six Months Ended April 30, 2024

Shares outstanding at November 1, 2023	41,103,165
Shares redeemed	(4,110,311)
Shares outstanding at April 30, 2024	36,992,854

Directors' Share Ownership Policy

The Independent Directors are subject to a director's share ownership policy ("ShareOwnership Policy"). Under the ShareOwnership Policy, Independent Directors of the Company are required to own at least 10,000 Shares of the Company. The below chart summarizes Independent Directors' Share ownership as at April 30, 2025.

Independent Director	Shares Owned (by public filings)
Radhika Ajmera	10,000
William J. Braithwaite	70,000

9. Revolving Credit Facility

The Company was party to a revolving credit loan facility with BNP Paribas (the "BNP Facility"), which was amended and restated on November 13, 2024 (as further amended, the "A&R BNP Facility"). The A&R BNP Facility has a scheduled maturity date of November 12, 2025, and the total amount of permitted borrowing under the A&R BNP Facility is US\$45,000,000. The A&R BNP Facility is expected to be recovered or settled after more than 12 months from April 30, 2025. During the six-month period, the Company paid down a net

Notes to Financial Statements (unaudited) (continued)

April 30, 2025

amount of US\$1,500,000. The Company's outstanding balance on the A&R BNP Facility as at April 30, 2025 was US \$32,600,000 or CAD \$45,028,529 (see Bank Loan on Statements of Financial Position), which represented 43.5% of the NAV of the Company on April 30, 2025. The A&R BNP Facility was the only source of investment leverage used by the Company during the reporting period covered by the financial statements. The Company used forwards and swaps during the reporting period covered by the financial statements, but such derivative instruments were used for hedging purposes only. The leverage is currently used with the intent of enhancing returns by borrowing at interest rates that are anticipated to be lower than relatively higher yields of the fixed income securities in which the Company invests. The Company was accruing the interest daily on the A&R BNP Facility. The total accrued expense as of the six-month period end is included in the expense section of the Statements of Comprehensive Income/(Loss) under "Interest expense."

The A&R BNP Facility includes usual and customary covenants for this type of facility. These covenants impose on the Company asset coverage requirements, fund composition requirements and limits on certain investments. The covenants or guidelines could impede abrdn Asia from fully managing the Company's portfolio in accordance with the Company's investment objective and by-laws. The Company is currently in compliance with all covenants under the A&R BNP Facility.

These covenants also include limits on the Company's ability to (i) issue preferred shares or forms of indebtedness, (ii) incur liens, (iii) change its investment objective or fundamental investment restrictions without the approval of the lender, (iv) amend the Company's organisational documents in a manner which could adversely affect the rights and remedies of the lender, or (v) create, incur, assume or permit to exist certain debt except for certain specified types of debt. In addition, the A&R BNP Facility does not permit the Company's asset coverage ratio (as defined in the agreement) to fall below 300% at any time. Furthermore, non-compliance with such covenants or the occurrence of other events could lead to the cancellation of the loan facility. These other events include, but are not limited to, the following:

- non-payment by the Company of certain obligations to the lender and other parties;
- involuntary or voluntary liquidation, reorganisation or other debt relief proceedings are commenced against or by the Company;
- abrdn Investments Limited ceases to be the sub-investment advisor; abrdn Asia or an affiliate ceases to be the investment manager to the Company; State Street Trust Company Canada ceases to be the Company's custodian; or abrdn Canada Limited, or an affiliate ceases to be the Company's administrator; State Street Bank and Trust Company, Singapore Branch, or an affiliate ceases to be the Singapore administrator; KPMG LLP or an affiliate ceases to be the independent auditors; and

- abrdn Asia ceases to be owned or controlled by abrdn Holdings.

The A&R BNP Facility permits, in certain circumstances, the Company to cure non-compliance or seek waivers or approvals from the lender. However, in the event that the loan facility was cancelled or was not available for renewal, the Company may not be able to find other financing on acceptable terms, if at all. Should the Company be unable to find other sources for financing, it would be forced to "de-lever" by making significant sales of its portfolio investments. De-leveraging could involve the sale of some securities under unfavorable market conditions in order to repay the lender. This could result in the portfolio's securities being sold for less than their expected value. Furthermore, these sales may realise capital gains.

10. Statement of Deficit

	Six Months Ended April 30, 2025 C\$	Fiscal Year Ended October 31, 2024 C\$
Deficit, beginning of period	(294,530,246)	(294,113,343)
Add:		
Net investment income	3,119,191	6,226,396
Net realised investment and exchange gains / (losses)	(9,169,760)	1,484,853
Deduct:		
Dividend to holders of units	(3,819,542)	(8,128,152)
Deficit, end of period	(304,400,357)	(294,530,246)

11. Risk Management

The Company has multiple risks associated with investing in long-term Asia-Pacific and emerging market debt securities, including market, credit and liquidity risk, which could have an impact on the capacity to reach its strategic growth objectives. The Company strives to control and mitigate the risks through management practices that require the identification and analysis of the risks related to the operations. Periodic monitoring and review of these risks are performed based upon market conditions and the Company's level of activities. No changes affecting the overall level of risk of investing in the Company were made during the reporting period.

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a. Market Risk

Interest Rate Risk Exposure

By virtue of its fixed-income investment strategy, substantially all of the Company's net assets are exposed to interest rate risk. Interest rate risk is the risk that either the fair value of the Company's financial instruments or cash flows relating to its financial instruments will be impacted by changes in market interest rates. Generally speaking, a rise in interest rates will have the effect of lowering the fair value of existing fixed-income securities, while a reduction in market interest rates will have the opposite effect. As at April 30, 2025, if the average interest rates in the Portfolio had been raised or lowered by 1%, net assets could possibly have decreased or increased, respectively by approximately C\$2.63 million.

The following table shows the maturity composition of the Company's investments as at April 30, 2025, as compared with the fiscal year ended October 31, 2024 and the six-months ended April 30, 2024:

Date	0 to 5 Years %	5 to 10 Years %	10 Years & Over %
April 30, 2025*	48.1	34.9	17.0
October 31, 2024	47.9	29.1	23.0
April 30, 2024*	49.8	32.3	17.9

* Unaudited

Exchange Value of the Canadian Dollar

Given a substantial proportion of the Company's assets are invested in securities denominated in foreign currencies, changes in the value of the Canadian Dollar against these foreign currencies can have a significant impact on performance over time. The Company uses forward contracts to manage its currency risk. Please refer to Note 5, Forward Foreign Currency Exchange Contracts. As at April 30, 2025 and October 31, 2024, investments in assets denominated in Asian and U.S. Dollars represented the largest currency holdings in the Company's assets. A 1% rise/fall in the C\$ exchange rate, excluding the mitigating effects of hedging derivatives, against associated foreign currencies would result in a decrease or increase of approximately C\$1.34 million and C\$1.67 million, respectively. For further information on the composition of the various currencies at the end of the fiscal year please refer to the table on page 15 "Currency Composition".

b. Credit Risk

The Company continues to hold a weighting in sub-investment grade debt, primarily in local currency sovereign debt issued by the governments of Indonesia, India and China, and the U.S. Dollar denominated bonds issued by sub-investment grade Asia-Pacific sovereigns and corporations. Should market participants' perception of the credit quality of these sub-investment grade issuers, or of any market in which the Company invests decrease, then the value of the respective securities may fall. The fair value of forward foreign currency exchange contracts and futures contracts includes consideration of the creditworthiness of the debt issuer. Credit risk exposure for over-the-counter derivative instruments is based on the Company's unrealised gain or loss of the contractual obligations with the counterparty as at the reporting date.

As at April 30, 2025, 20.7% of the Company's investments were in securities where either the issue or the issuer was rated A or better by S&P Global Ratings', Moody's or Fitch Ratings, Inc. or, if unrated, was judged to be of equivalent quality by the Investment Manager. The following table shows the ratings of securities, where either the issue or the issuer was rated A or better by Standard & Poor's or Moody's Investors Services, Inc. ("Moody's"), held by the Company as at April 30, 2025, as compared with the October 31, 2024 and April 30, 2024:

Date	AAA/Aaa %	AA/Aa %	A %	BBB/Baa %	BB/Ba* %	B* %	B or below* %	NR** %
April 30, 2025	7.7	3.3	9.7	40.5	18.2	6.5	6.2	7.9
October 31, 2024	8.2	3.3	11.3	40.3	18.7	7.4	8.3	2.5
April 30, 2024	2.0	1.9	10.4	53.0	13.9	10.0	5.0	3.7

* Below investment grade

** Not Rated

Notes to Financial Statements (unaudited) (continued)

April 30, 2025

The following were the contractual maturities of financial liabilities at the reporting date. The amounts are reported on a gross and undiscounted basis.

	Contractual cash flows		
	Carrying amount C\$	Within 1 year C\$	Within 1 to 5 years C\$
April 30, 2025			
Non-derivative financial liabilities			
Bank loan	45,028,529	-	45,028,529
Amount due to brokers	758,230	758,230	-
Other payables and accruals	299,201	299,201	-
	46,085,960	1,057,431	45,028,529
October 31, 2024			
Non-derivative financial liabilities			
Bank loan	53,107,626	-	53,107,626
Amount due to brokers	2,018,908	2,018,908	-
Other payables and accruals	517,744	517,744	-
	55,644,278	2,536,652	53,107,626

Amounts listed as “-” are C\$0 or round to C\$0.

c. Liquidity Risk

The Company faces the risk of illiquidity in its investments in lower rated debt securities and local currency Asia-Pacific and emerging market debt securities. The ability to hedge risk and transact at low costs is less likely with respect to these securities and such securities are subject to sudden shifts in market liquidity. The Company invests a portion of its assets in securities that are neither listed on a securities exchange nor traded in an active over-the-counter market. Furthermore, the Company's securities also include investments in countries or regions that are less developed than major markets such as the United States. These factors along with other social, economic or political developments, may create a lack of liquidity such that the Company would not be in a position to convert sufficient amounts of its investments to cash to cover its obligations under its debt agreements or to meet its objectives in paying a stable monthly dividend to holders of Shares.

d. Risks Associated with Foreign Securities and Currencies

Investments in securities of foreign issuers carry certain risks not ordinarily associated with investments in securities of Canadian and U.S. issuers.

These risks include future political and economic developments, and the possible imposition of exchange controls or other foreign governmental laws and restrictions. In addition, with respect to certain

countries, there is the possibility of expropriation of assets, confiscatory taxation, and political or social instability or diplomatic developments, which could adversely affect investments in those countries.

Certain countries also may impose substantial restrictions on investments in their capital markets by foreign entities, including restrictions on investments in issuers of industries deemed sensitive to relevant national interests. These factors may limit the investment opportunities available and result in a lack of liquidity and high price volatility with respect to securities of issuers from developing countries.

e. Risks of Leverage

The Company's leveraged capital structure creates special risks not associated with unleveraged funds having similar investment objectives and policies. The funds borrowed pursuant to the loan facility may constitute a substantial lien and burden by reason of their prior claim against the income of the Company and against the net assets of the Company in liquidation. The Company is limited in its ability to declare dividends or other distributions in the event of default under the loan facility. In the event of default under the loan facility, the lender has the right to cause a liquidation of the collateral (i.e., sell portfolio securities and other assets of the Company) and, if

Notes to Financial Statements (unaudited) (concluded)

April 30, 2025

any such default is not cured, the lender may be able to control the liquidation as well. A liquidation of the Company's assets that it has pledged as collateral, in an event of default, or a voluntary paydown of the loan facility in order to avoid an event of default, would typically involve administrative expenses and sometimes penalties. Additionally, such liquidations may involve selling off of portions of the Company's assets at inopportune times which can result in losses when markets are unfavorable. The loan facility has a limited term and

is not a perpetual form of leverage; there can be no assurance that the loan facility will be available for renewal on acceptable terms, if at all, after the expiration of its term.

12. Subsequent Events

On May 9, 2025 and June 10, 2025, the Company announced that it will pay on May 30, 2025 and June 30, 2025, respectively, a distribution of C\$0.0175 per Share to all holders of Shares of record as of May 22, 2025 and June 23, 2025, respectively.

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abrdn Asia

The accompanying Financial Statements as at April 30, 2025, were not audited and accordingly, no opinion is expressed therein.

This report, including the audited financial statements, is transmitted to the shareholders of abrdn Asia-Pacific Income Fund VCC for their information. This is not a prospectus, circular or representation intended for use in the purchase of shares of the Company or any securities mentioned in this report.

The shares of abrdn Asia-Pacific Income Fund VCC are traded on the Toronto Stock Exchange. Information about the net asset value is available on the Company's website on a daily basis (<https://www.aberdeeninvestments.com/en-ca/investor>).

Computershare Trust Company of Canada operates an information line on behalf of abrdn Asia-Pacific Income Fund VCC which can be reached by dialing toll-free in Canada and the United States 1-800-564-6253. Shareholders in Toronto or outside Canada and the United States should telephone (514) 982-7555.

