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Press Release

**ABRDN ASIA-PACIFIC INCOME FUND VCC ANNOUNCES
2023 VOLUNTARY CASH REDEMPTION AND REDUCTION IN
MONTHLY DISTRIBUTION RATE**

(Toronto, January 17, 2023) – [abrdn Asia-Pacific Income Fund VCC \(TSX:FAP\) \(UEN: T21VC0235H\)](#) (the “Company”), a closed-end investment company trading on the Toronto Stock Exchange, announced today details of the 2023 voluntary cash redemption and reduction in its monthly distribution.

Voluntary Annual Cash Redemption

The redemption date for the Company’s annual voluntary cash redemption will be March 31, 2023. Shareholders are entitled to redeem shares of the Company at a price equal to 100% of the Average Net Asset Value (NAV) of the three trading days preceding the March 31, 2023 redemption date, less direct costs. Direct costs are expected to be less than 1%. If all redemption requests exceed 10% of the aggregate outstanding shares of the Company on March 10, 2023, the final day to submit shares for redemption, the Company will process redemptions to this maximum on a pro-rata basis based on the total number of shares tendered. Payment for shares that have been tendered and accepted for redemption will be made on or before April 21, 2023.

Shareholders wishing to redeem their shares must provide notice of their intent to do so with their investment advisor or brokerage office no later than 5pm Eastern time on March 10, 2023. Please note that investment firms may impose an earlier deadline in order to facilitate the processing of redemption requests. Shareholders are strongly urged to consult their investment advisor or brokerage office directly to confirm their internal deadlines. Registered shareholders (those who hold a physical share certificate in their name) should contact the Company’s transfer agent, Computershare Trust Company of Canada, at 1-800-564-6253 to redeem their shares. Shares that have been submitted for redemption will remain eligible for the March 2023 distribution, which will be paid in March 2023.

Key Dates

January 27– March 10, 2023	Shareholders may tender shares for redemption
March 28 – 30, 2023	Redemption price determined based on average NAV of these trading days
March 31, 2023	Redemption date
April 21, 2023	Payment of redemption proceeds on or before this date

Change in Monthly Distribution

The Company also announces that it will pay a monthly distribution of CAD 1.75 cents per share commencing with the distribution to be declared in February 2023, representing a reduction in distribution from the current rate of CAD 2.25 cents per share per month. The Company intends to maintain this distribution level for at least the next 12 months unless there are significant and unforeseen changes in market conditions or an economic shock. The reduced distribution rate, as of January 13, 2023, equates to a distribution rate of approximately 6.7% on NAV, or 7.9% on market prices.

The current reduction in distribution takes into account many factors, including, but not limited to, the Company's current and expected earnings and the Investment Manager's economic and market outlook. For comparative purposes, as of December 31, 2022, the Company's blended benchmark has a running yield of approximately 4.2%, while the global high yield indices have a running yield of approximately 6.2%.

The investment objective of the Company is to obtain current income. The Company may also achieve incidental capital appreciation. The dividend policy of the Company's Board of Directors is to provide investors with a stable monthly distribution out of net investment income and realized capital gains supplemented with return of capital as required.

As a reminder, Singapore legislation does not provide for paid-in capital or par value. The full amount of all dividends paid by the Company are treated as income for Canadian income tax purposes.

Investment Manager's Outlook

The Company's portfolio is managed by abrdn Asia Limited (the "Investment Manager") and sub-advised by abrdn Investments Limited.

Following a very challenging period for bond markets, the outlook in 2023 is more constructive; especially as central banks draw closer to the end of their tightening process, and in the Asian region, as China begins to ease its strict zero-COVID restrictions.

We believe three factors will underpin support for Asian and emerging markets fixed income markets in 2023: a more stable global macro environment; inexpensive valuations in currencies, domestic rates and credit; and light positioning.

Important Information

Past performance is no guarantee of future results. Investment returns and principal will fluctuate and shares, when sold, may be worth more or less than the original cost. Current performance may be lower or higher than the performance data quoted. NAV returned data includes investment management fees, custodial charges, bank loan expenses and administrative fees (such as Director and legal fees) and assumes the reinvestment of all distributions. The Company is subject to investment risk, including the possible loss of principal. Total return based on net asset value reflects changes in the Company's net asset value during each period. Total return based on market price reflects changes in market value.

abrdn is the registered marketing name in Canada for the following entities: abrdn Canada Limited, abrdn Investments Luxembourg S.A., abrdn Private Equity (Europe) Limited, abrdn Capital Partners LLP, abrdn Investment Management Limited, abrdn Alternative Funds Limited, and Aberdeen Capital Management LLC. abrdn Canada Limited is registered as a Portfolio Manager and Exempt Market Dealer in all provinces and territories of Canada as well as an Investment Fund Manager in the provinces of Ontario, Quebec, and Newfoundland and Labrador.

Closed-end funds are traded on the secondary market through one of the stock exchanges. The Company's investment return and principal value will fluctuate so that an investor's shares may be worth more or less than the original cost. Shares of closed-end funds may trade above (a premium) or below (a discount) the net asset value (NAV) of the company's portfolio. There is no assurance that the Company will achieve its investment objective. Past performance does not guarantee future results.

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