



Asia Dragon Trust plc

Half-Yearly Report 28 February 2022

Capturing growth from world-class Asian companies

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Contents

Overview

Performance Highlights	1
Financial Calendar and Highlights	2
Chairman's Statement	4
Interim Management Report and Directors' Responsibility Statement	7

Portfolio

Ten Largest Investments	9
Investment Portfolio	10
Our Investment Manager's Case Studies	13

Financial Statements

Condensed Statement of Comprehensive Income (unaudited)	15
Condensed Statement of Financial Position (unaudited)	16
Condensed Statement of Changes in Equity (unaudited)	17
Condensed Statement of Cash Flows (unaudited)	18
Notes to the Financial Statements	19

General Information

Alternative Performance Measures	25
Investor Information	27
Contact Addresses	33

Performance Highlights

Net asset value total return per Ordinary share^A

Six months ended 28 February 2022

-7.7%

Year ended 31 August 2021

+20.5%

Share price total return per Ordinary share^A

Six months ended 28 February 2022

-6.3%

Year ended 31 August 2021

+24.3%

MSCI AC Asia Pacific (ex Japan) Index (sterling adjusted) total return

Six months ended 28 February 2022

-8.1%

Year ended 31 August 2021

+14.7%

Discount to net asset value^A

As at 28 February 2022

8.4%

As at 31 August 2021

9.6%

^A Considered to be an Alternative Performance Measure as defined on pages 25 and 26.

	6 months ended 28 February 2022	Year ended 28 February 2022	3 years ended 28 February 2022	5 years ended 28 February 2022	10 years ended 28 February 2022
Net asset value per share ^A	-7.7%	-8.4%	+32.6%	+54.5%	+108.0%
Share price ^A	-6.3%	-10.2%	+29.3%	+47.2%	+110.1%
MSCI AC Asia (ex Japan) Index (sterling adjusted)	-8.1%	-10.6%	+21.6%	+38.5%	+113.4%

^A Considered to be an Alternative Performance Measure as defined on pages 25 and 26.

Financial Calendar and Highlights

Financial Calendar

Financial year end	31 August 2022
Announcement of annual results for year ending 31 August 2022	November 2022
Annual General Meeting	December 2022
Final Ordinary dividend payable for year ending 31 August 2022	December 2022

Financial Highlights

	28 February 2022	31 August 2021	% change
Equity shareholders' funds (£'000)	632,499	706,929	-10.5
Net asset value per share (capital return) ^B	517.33p	566.60p	-8.7
Share price (mid)	474.00p	512.00p	-7.4
Discount to net asset value per Ordinary share ^A	8.4%	9.6%	
MSCI AC Asia (ex Japan) Index (sterling adjusted; capital return) ^B	1040.67	1138.78	-8.6
Net gearing ^A	9.8%	7.9%	
Ongoing charges ratio ^A	0.82%	0.83%	

^A Considered to be an Alternative Performance Measure as defined on pages 25 and 26.

^B Total return numbers shown under Performance Highlights.

“This has been a turbulent period for Asian, indeed global, stock markets. Nevertheless, the Board remains positive on the long-term prospects for Asia and valuations look appealing versus global and US equities despite higher growth prospects in Asia”

James Will, Chairman

Chairman's Statement

Results

The six months under review was a turbulent period for Asian, indeed global, stock markets with the dominant themes being the US Federal Reserve's ("Fed") increase in interest rates, China's regulatory crackdown across a broad swathe of sectors, the Russian invasion of Ukraine and the continuing impact of Covid-19. Against this uncertain backdrop, the Company's net asset value ("NAV") fell by 7.7%, outperforming the Company's benchmark, the MSCI All-Country Asia ex Japan Index (the "Benchmark"), which fell by 8.1% (both in total return terms). The share price decreased by 6.3% to 28 February 2022, as the discount to NAV per share narrowed to 8.4%.

Overview

Most Asian markets closed lower over the six months as a resurgence of Covid-19 infections, triggered by the outbreak of the Omicron variant, led to the re-imposition of lockdown measures that restricted mobility and weighed on economies across Asia.

There was also mounting concern over rising interest rates as the Fed started to tighten its monetary policy amid signs of rising inflation domestically. Investors worried that this would have implications elsewhere, including in Asia, as rising rates would result in higher borrowing costs for companies and consumers, and in turn dampen corporate investment and consumer spending. However, most Asian policymakers have monetary and fiscal room for manoeuvre to combat any serious growth slowdown as a result of prudent policies.

Meanwhile, tensions escalated on Ukraine's borders, culminating in the Russian invasion. Concerns that the hostilities would disrupt global oil supplies drove the Brent crude oil price above US\$100 per barrel for the first time in eight years. Sharp rises in commodity prices, ranging from metals to food, led to commodity-exporting nations, such as Indonesia and Malaysia, broadly outperforming. Conversely, net importers of oil such as India, lagged the benchmark.

China was the worst performing market over the period, as companies faced a raft of challenges, including a broadening regulatory crackdown and disruptions to economic activity due to the zero-Covid policy and emergence of the Omicron variant. In addition, government efforts to curb excessive debt in the real estate sector led to default stress, shelved projects and a major property market slowdown. However, in contrast to the trend that saw major central banks around the world raise interest rates, the People's Bank of China cut several key lending rates to support the economy's return to healthier and more stable growth, the top priority for central government in 2022.

Performance and Portfolio Activity

Our positioning in China was the main source of outperformance against the Benchmark during the period. The Chinese companies to which the Company has exposure have in general shown resilience despite the challenging operating environment.

Among the top contributors was **Kweichow Moutai**, which benefited from easing concerns over price regulation for producers and distillers of the Chinese spirit Baijiu, and the implementation of well-received market-driven initiatives. **Chacha Food**, a leading nut-based snack company, performed well on the back of price rises and strong shipments. The portfolio's bias towards high-quality companies was rewarded by the strong performance of our largest holding, **China Resources Land** ("CR Land"), during the period. Despite substantial challenges in the real estate sector, CR Land posted gains as investors gravitated towards higher-quality property companies.

The Investment Manager remains convinced of China's long-term structural growth prospects. In such a period of extreme volatility, the opportunity was taken to add some quality mainland companies and enhance the China mix of the portfolio. New additions included electric vehicle ("EV") battery maker **Contemporary Amperex**, which offers exposure to the growing mainland demand for EVs. It has a dominant market share with an extensive local supply chain and is a global leader in battery and energy-storage systems. Vehicle electrification and the increased adoption of renewable energy will impact significantly China's ability to meet its net zero emission target by 2060.

Another new holding was **Shenzhen Inovance**, a leader in China's industrial automation sector, which is expected to be a key beneficiary of the increasing adoption of automation in China. Shenzhen Inovance has a focus on clean technology opportunities through its industrial robotics and process control products. Automation is an important piece of the broader energy transition effort as equipment and machinery upgrades increase energy efficiency in the manufacturing sector, which is a significant emitter of greenhouse gasses.

The Investment Manager believes that the current volatility presents an opportunity to invest in good companies in structurally growing sectors as their share prices have fallen to more attractive levels. Some examples of such companies are in the area of information technology. **Naura Technology's** technology heritage and research and development strengths position it well to be at the forefront of China's semiconductor equipment development. Taiwan's **Andes Technology** is among the top three companies globally for RISC-V, an open-source instruction set architecture ("ISA") that defines the way software talks to a processor. The Investment Manager sees RISC-V gaining market share because of its simpler ISA and superior power-performance attributes. The Company also opened a position in **Yonyou Network Technology**, the largest enterprise resource planning ("ERP") provider in China.

In addition, the Investment Manager is seeing equivalent opportunities beyond China. As a result of increased choice in other markets such as India, the portfolio now has greater exposure to the Indian digital sector after participating in two initial public offers and building positions during the subsequent sell offs. FSN E-Commerce Ventures is a beauty and fashion e-commerce company, which is considered well positioned to meet aspirational demand in India. **PB Fintech** is the leading online insurance platform in India that enjoys a dominant market share. Although it underperformed over the period, partly due to the rotation from growth to value stocks, the company should deliver healthy long-term growth, underpinned by increasing insurance penetration and financial literacy in its domestic market.

Over the period, the Company benefited from exposure to cyclically sensitive companies in the countries where the economic recovery from the pandemic has lagged, such as **Ayala Land** in the Philippines. The positioning within cyclical financial holdings also proved positive, especially in South-East Asia. Singaporean banks **DBS Group** and **Oversea-Chinese Banking Corp** performed well, driven by positive earnings and the resumption of pre-pandemic dividend payouts, while Indonesia-based **Bank Central Asia** and Thailand's **Kasikornbank** also contributed to performance. All should benefit from rising interest rates and the re-opening of South-East Asian economies as access to vaccines improve. More negatively, **Housing Development Finance Corp**, the leading housing finance company in India, detracted despite the recovery in mortgage demand. Subsequently, since the period end the company and **HDFC Bank** announced their planned merger leading to a sharp rise in the share price of both entities. While subject to regulatory approvals and other customary closing conditions, the transaction will be the largest in India by value and will create one of the world's largest financial services companies.

In view of opportunities brought about by the re-opening of economies, the Investment Manager increased the Company's exposure to cyclical companies, introducing India's largest passenger vehicle company, **Maruti Suzuki**, and Thailand's **Kasikornbank**. Maruti Suzuki is a subsidiary of Japan's Suzuki and boasts a dominant market share in the four-wheeler market in India. Kasikornbank is a leader in digitalisation and technology in the Thai market. The company has a superior record in managing environmental, social and governance factors versus its domestic peers and is expected to benefit from a reopening of the country.

Revenue Account

For the six months ended 28 February 2022, the revenue account recorded a return on ordinary activities after taxation of £1,198,000, representing 0.97p per share, compared with a return of £2,861,000 for the six months to 28 February 2021 (2.28p per share).

The bulk of this fall in revenue was due to the large Samsung special dividend received in the same period last year (worth approximately £1.5 million) which, as expected, was not repeated this year.

Events during the Period

At the Company's Annual General Meeting held on 15 December 2021, all resolutions, including the continuation vote and the introduction of five-yearly performance-related conditional tender offers, in addition to the regular continuation votes, were passed. The first period during which the Company's performance against the Benchmark will be assessed for the purposes of implementing the first conditional tender offer commenced on 1 September 2021 and will last until 31 August 2026. Subsequent conditional tender offers will be assessed every five years thereafter.

The Board

As part of its succession plans, the Board was pleased to welcome Matthew Dobbs as a non-executive Director with effect from 1 February 2022. Mr Dobbs is a renowned Asian and Small Companies investment expert and brings a wealth of knowledge and experience to the Board.

Chairman's Statement

Continued

Gearing

The Board believes that the sensible use of modest financial gearing should enhance returns to shareholders over the longer term. At the beginning of the financial year the Company had in place a £75 million three year loan facility, of which £25 million was fixed and fully drawn down with a further £40 million of the revolving £50 million facility drawn down. The facility will expire in July 2022 and the Board will be considering the options for a replacement facility in advance of its expiry. Should the Board decide not to renew the facility, any outstanding borrowing would be repaid through the proceeds of equity sales as required.

At 28 February 2022, £40 million of the revolving facility and £25 million of the fixed loan facility were drawn down and the net gearing position was 9.8%, compared to 7.9% at the end of August 2021.

The Investment Manager continues to monitor closely gearing levels and bank covenants. As at 20 April 2022 the Company's net assets stood at £576.9 million and net gearing was 10.5%. These levels remain comfortably within the covenant limits.

Discount and Share Buybacks

The discount level of the Company's shares is closely monitored by the Board and Investment Manager and the Board seeks to manage the discount in line with the peer group. During the six months to 28 February 2022, 2,504,682 shares were bought back and held in treasury. Since 28 February 2022, a further 851,096 shares have been bought back into treasury.

Outlook

The horrific events unfolding in Ukraine are a stark reminder of the uncertain times in which we live. From an economic perspective, rising inflation and an increasingly hawkish Fed were already of concern before the escalation of Russia-Ukraine hostilities, and a protracted conflict risks intensifying this. Covid-19 also remains a threat and, although Omicron appears to be less virulent than previous variants, further flare-ups of the virus and mutations cannot be ruled out. Nevertheless, the continued increase in vaccinations across Asia is encouraging and positive for consumption, corporates and the wider economy.

China's economy remains under pressure due to tightening regulation, the common-prosperity policy, the zero-Covid strategy and strained relations with the US. However, Beijing is implementing measures to stimulate a recovery and return to a stable growth track. The Investment Manager believes that the geopolitical situation will accelerate China's drive for self-sufficiency, which will provide plenty of investment opportunities across diverse sectors such as consumption, technology and green energy.

The Board and the Investment Manager are acutely aware of the challenges facing investors and will monitor developments closely, particularly the second-order effects on inflation and global growth prospects. Further, the current market environment underlines the importance of maintaining an active approach to investing, with a strong focus on holding high-quality businesses with strong balance sheets that can withstand the effects of inflation through strong pricing power.

In addition, the Board remains positive on the long-term prospects for Asia. It remains the world's fastest-growing region, underpinned by powerful structural trends such as increasing affluence, rising urbanisation and growing technology adoption. This offers a plethora of investment opportunities and valuations in the region look appealing versus global and US equities despite higher growth prospects in Asia.



James Will
Chairman
21 April 2022

Interim Management Report and Directors' Responsibility Statement

Principal Risks and Uncertainties

There are a number of risks which, if realised, could have a material adverse effect on the Company and its financial position, performance and prospects. The Board has in place a robust process to identify, assess and monitor the principal risks and uncertainties facing the Company and to identify and evaluate newly emerging risks. A summary of the principal risks and uncertainties facing the Company is summarised below under the following headings:

- Investment Performance
- Concentration Risk
- Major market event or geo-political risk
- Resource
- Reliance on Third Party Service Providers
- Discount volatility
- Gearing
- Regulatory

Details of these risks and a description of the mitigating actions which the Company has taken are provided in detail on pages 14 and 15 of the 2021 Annual Report.

In addition to these risks, there are also a large number of international political and economic uncertainties which could have an impact on the performance of Asian markets and the Board is monitoring closely the current geo-political risks, market volatility and uncertainty associated with Russia's invasion of Ukraine. There also continues to be a number of contingent risks associated with Covid-19 which the Board monitors, that might impact the Company and the markets in which it operates.

The Board is also mindful of the risks arising from emerging environmental, social and governance ("ESG") challenges and climate change. The Board continues to monitor, through the Investment Manager, the potential risk that investee companies may fail to keep pace with ESG and climate change developments.

In the view of the Board, in all other respects, the principal risks and uncertainties have not changed materially during the six months to 28 February 2022. The Board continues to monitor the risk environment and does not expect the risks facing the Company to change materially in the second half of the financial year ended 31 August 2022.

Going Concern

The Directors have undertaken a rigorous review of the Company's ability to continue as a going concern. The Company's assets consist substantially of equity shares in companies listed on recognised stock exchanges and in most circumstances are realisable within a short timescale.

The Company has a three year loan facility of £75 million in place until July 2022. The Board has set limits for borrowing and regularly monitors the Company's covenant compliance and gearing levels and is satisfied that there is sufficient headroom in place and flexibility if required. A replacement option will be sought in advance of the expiry of the facility in July 2022, or, should the Board decide not to renew this facility, any outstanding borrowing would be repaid through the proceeds of equity sales as required.

The Board has considered the impact of Covid-19 and believes that this will have a limited financial impact on the Company's operational resources and existence. The Company's portfolio comprises entirely "Level One" assets (listed on a recognisable exchange and realisable within a short timescale), and the Company employs a relatively low level of gearing. The Board has been regularly updated by the Investment Manager on the resilience of the Investment Manager's systems as well as those of the other key third party service providers and is satisfied that suitable business continuity plans are in place and have proved effective throughout the course of the pandemic.

The Directors are mindful of the principal risks and uncertainties disclosed above and, having reviewed forecasts detailing revenue and liabilities, they believe that the Company has adequate financial resources to continue its operational existence for the foreseeable future and for at least twelve months from the date of this Report. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Interim Management Report and Directors' Responsibility Statement

Continued

Related Party Disclosures and Transactions with the Alternative Investment Fund Manager and Investment Manager

Aberdeen Standard Fund Managers Limited ("ASFML") has been appointed as the Company's Alternative Investment Fund Manager ("AIFM").

ASFML has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to Aberdeen Asset Managers Limited and abrdn Asia Limited which are regarded as related parties under the UKLA's Listing Rules. Details of the fees payable to ASFML are set out in note 13 to the condensed financial statements.

Responsibility Statement of the Directors in respect of the Half-Yearly Financial Report

The Disclosure Guidance and Transparency Rules of the UK Listing Authority require the Directors to confirm their responsibilities in relation to the preparation and publication of the Interim Management Report and Financial Statements.

The Directors confirm to the best of their knowledge that:

- the condensed set of financial statements contained within the Half-Yearly financial report has been prepared in accordance with FRS 104 Interim Financial Reporting and give a true and fair view of the assets, liabilities, financial position and return of the Company for the period ended 28 February 2022; and;
- the Interim Management Report, together with the Chairman's Statement includes a fair review of the information required by:
 - a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Company during that period; and any changes in the related party transactions described in the last Annual Report that could do so.

The Half-Yearly Financial Report was approved by the Board and the above Directors' Responsibility Statement was signed on its behalf by the Chairman.

For Asia Dragon Trust plc,
James Will
Chairman
21 April 2022

Ten Largest Investments

As at 28 February 2022



Taiwan Semiconductor Manufacturing Company ("TSMC")

As the world's largest pure-play semiconductor manufacturer, TSMC provides a full range of integrated foundry services, along with a robust balance sheet and good cash generation that enables it to keep investing in cutting-edge technology and innovation.



Samsung Electronics (Pref)

One of the global leaders in the memory chips segment, and a major player in smartphones and display panels as well. It has a vertically integrated business model and robust balance sheet, alongside good free cash flow generation.



Tencent Holdings

The internet giant continues to strengthen its ecosystem and whilst the regulator is keen to make sure that large companies do not sacrifice other stakeholders' interests for their own profit, the Investment Manager continues to see great potential in Tencent Holdings' ability to balance its multiple revenue streams, its ability to monetise its social media and payment platforms whilst addressing the regulator's concerns.



AIA Group

A leading pan-Asian life insurance company, it is poised to take advantage of Asia's growing affluence, backed by an effective agency force and a strong balance sheet.



Housing Development Finance Corp

A steady, well-managed financial services conglomerate with leading positions in mortgage finance, retail banking, life insurance and asset management, supported by a broad distribution network, efficient cost structure and balance sheet quality.



Bank Central Asia

Among the largest local private banks in Indonesia, it is well capitalised and has a big and stable base of low-cost deposits that funds its lending, while asset quality has remained solid.



Alibaba Group

The Chinese internet group is a leading global e-commerce company with many impressive businesses, including the Taobao and Tmall online platforms in the mainland. It also has interests in logistics, media as well as cloud computing platforms and payments.



Oversea-Chinese Banking Corporation

A well-managed Singapore bank with a solid capital base and good cost-to-income ratio. It is diversified by both geography and service offerings, with interests spanning Southeast Asia, North Asia, wealth management and life assurances well as its core banking activities.



Hon Hai Precision Industry

Hon Hai is Apple's main iPhone supplier. The Investment Manager likes that the company is broadening its business into electric vehicle-related opportunities, while management has become more disciplined in its investments.



Kweichow Moutai 'A'

A distilled Chinese liquor maker, which has a wide domestic business moat supported by strong brand equity.

Investment Portfolio

At 28 February 2022

Company	Industry	Country	Valuation £'000	Total assets %
Taiwan Semiconductor Manufacturing Company	Semiconductors & Semiconductor Equipment	Taiwan	74,855	10.7
Samsung Electronics (Pref)	Technology Hardware Storage & Peripherals	South Korea	53,526	7.6
Tencent Holdings	Interactive Media & Services	China	49,014	7.0
AIA Group	Insurance	Hong Kong	38,182	5.4
Housing Development Finance Corp	Thriffs & Mortgage Finance	India	26,891	3.8
Bank Central Asia	Banks	Indonesia	19,603	2.8
Alibaba Group	Internet & Direct Marketing Retail	China	17,192	2.4
Oversea-Chinese Banking Corporation	Banks	Singapore	16,078	2.3
Hon Hai Precision Industry	Electronic Equipment, Instruments & Components	Taiwan	14,986	2.1
Kweichow Moutai 'A'	Beverages	China	14,477	2.1
Top ten investments			324,804	46.2
Tata Consultancy Services	IT Services	India	14,325	2.0
DBS Group	Banks	Singapore	13,851	2.0
China Merchants Bank ^A	Banks	China	13,716	2.0
Kotak Mahindra Bank	Banks	India	13,527	1.9
China Tourism Group Duty Free Corp 'A'	Speciality Retail	China	13,339	1.9
Hong Kong Exchanges & Clearing	Capital Markets	Hong Kong	12,013	1.7
Nari Technology	Electrical Equipment	China	10,641	1.5
SBI Life Insurance	Insurance	India	10,355	1.5
Ayala Land	Real Estate Management & Development	Philippines	10,075	1.4
Delta Electronic	Electronic Equipment, Instruments & Components	Taiwan	9,103	1.3
Twenty largest investments			445,749	63.4
Kasikornbank	Banks	Thailand	8,974	1.3
LG Chem	Chemicals	South Korea	8,606	1.2
Shenzhou International Group	Textiles, Apparel & Luxury Goods	China	8,519	1.2
Silergy Corp	Semiconductors & Semiconductor Equipment	Taiwan	8,311	1.2
Budweiser Brewing	Beverages	Hong Kong	8,305	1.2
Sungrow Power Supply Co – A	Electrical Equipment	China	8,121	1.2
Yunnan Energy New Material – A	Chemicals	China	8,101	1.2
Samsung Biologics ^B	Life Sciences Tools & Services	South Korea	7,839	1.1
Wanhua Chemical Group – A	Chemicals	China	7,462	1.1
Siam Cement 'F'	Construction Materials	Thailand	7,440	1.1
Thirty largest investments			527,427	75.2

At 28 February 2022

Company	Industry	Country	Valuation £'000	Total assets %
Hindustan Unilever	Personal Products	India	7,051	1.0
Kakao Corp	Interactive Media & Services	South Korea	6,875	1.0
Maruti Suzuki India	Automobiles	India	6,805	1.0
Bank of Philippine Islands	Banks	Philippines	6,789	1.0
ShenZhen Mindray Bio-Medical Electronics - A	Health Care Equipment & Supplies	China	6,697	1.0
Ultratech Cement	Construction Materials	India	6,623	0.9
China Resources Land	Real Estate Management & Development	China	6,617	0.9
Longi Green Energy Technology - A	Semiconductors & Semiconductor Equipment	China	6,382	0.9
Wuxi Biologics (Cayman)	Life Sciences Tools & Services	China	6,301	0.9
GDS Holdings ADS	IT Services	China	6,293	0.9
Forty largest investments			593,860	84.7
Contemporary Amperex - A	Electrical Equipment	China	6,173	0.9
Info Edge (India)	Interactive Media & Services	India	6,104	0.9
Vietnam Technological & Commercial Bank	Banks	Vietnam	5,863	0.8
Yonyou Network Technology - A	Software	China	5,595	0.8
Chacha Food Co - A	Food Products	China	5,511	0.8
China Vanke 'H'	Real Estate Management & Development	China	5,505	0.8
Midea Group 'A'	Household Durables	China	5,451	0.8
Mobile World Investment Corporation	Speciality Retail	Vietnam	5,179	0.7
Accton Technology Corp	Communications Equipment	Taiwan	5,038	0.7
Meituan-Dianping Class B	Internet & Direct Marketing Retail	China	4,884	0.7
Fifty largest investments			649,163	92.6
Sea ADS	Entertainment	Singapore	4,814	0.7
Andes Technology	Semiconductors & Semiconductor Equipment	Taiwan	4,788	0.7
Glodon Co - A	Software	China	4,108	0.6
Global Wafers Co	Semiconductors & Semiconductor Equipment	Taiwan	3,903	0.6
Shenzhen Inovance Technology - A	Machinery	China	3,887	0.6
Vietnam Dairy Products	Food Products	Vietnam	3,883	0.6
PB Fintech	Insurance	India	3,879	0.6
Naura Technology - A	Semiconductors & Semiconductor Equipment	China	3,659	0.5
Techtronic Industries	Machinery	Hong Kong	3,632	0.5
Hangzhou Tigermed Consulting Co ^A	Life Sciences Tools & Services	China	3,410	0.5
Sixty largest investments			689,126	98.5

Investment Portfolio

Continued

At 28 February 2022

Company	Industry	Country	Valuation £'000	Total assets %
Tongcheng Elong Holdings	Hotels, Restaurants & Leisure	China	2,969	0.4
FSN E-Commerce Ventures	Internet & Direct Marketing Retail	India	2,832	0.4
JD.com – A	Internet & Direct Marketing Retail	China	1,546	0.2
China Conch Venture Holdings	Construction & Engineering	China	247	–
			696,720	99.5
Net current assets^C			3,798	0.5
Total assets less current liabilities^C			700,518	100.0

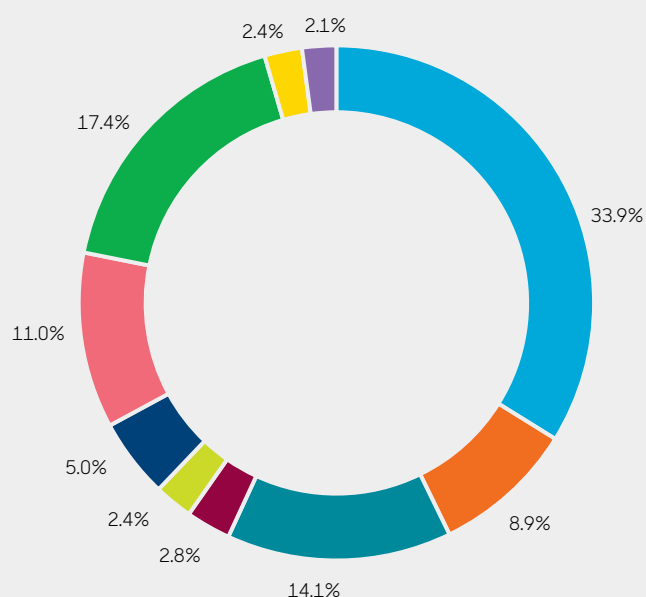
^A Holding includes investment in both 'A' and 'H' shares.

^B Holding includes rights.

^C Excluding bank loan of £64,999,000

Note: Unless otherwise stated, foreign stock is held and all investments are equity holdings.

Investment Portfolio by Country



Country allocation

- China – 33.9%
- Hong Kong – 8.9%
- India – 14.1%
- Indonesia – 2.8%
- Philippines – 2.4%
- Singapore – 5.0%
- South Korea – 11.0%
- Taiwan – 17.4%
- Thailand – 2.4%
- Vietnam – 2.1%

Our Investment Manager's Case Studies

Budweiser APAC (Hong Kong)

What does the company do?

Budweiser APAC ("Bud APAC") is the market leading beer business in the Asia Pacific by retail sales value. It is the Asian arm of Anheuser-Busch InBev, the world's largest beer company.

Why do we like the investment?

Bud APAC is the most profitable brewer in the Asia Pacific, due to its leadership in the premium and super premium segments. It has a strong portfolio of globally-recognised brands including the flagship Budweiser brand, and also Corona, Stella Artois, Hoegaarden and Becks. In addition, Bud APAC has a portfolio of local brands including Harbin in China and Cass in South Korea. Its overall portfolio comprises more than 50 brands.

The business is consistently and comfortably cash flow positive. This gives Bud APAC a competitive advantage compared to its peers, enabling investment in commercialisation and promotional activities to extend its market lead. We also see Bud APAC as best positioned to capitalise on continued premiumisation in China, with exciting growth prospects for super premium beer in the mainland over the medium to long-term.

What is our key area of engagement?

We have engaged extensively with Bud APAC on its strong credentials in respect of water stress in the environment and its many initiatives in this area whilst also working with MSCI to assist it in recognising Bud APAC's substantial work in this area.

What is the result?

MSCI upgraded its ESG rating of Bud APAC from BBB to A in December 2021. The rating agency highlighted lower water risk exposure as a key driver for this upgrade, the second in the two years since Bud APAC's listing. Bud APAC achieved a 17% reduction in its water usage in 2020 compared to 2017. It also has a clear target for its breweries in high-risk sites to reach a water efficiency of 2.0 per hectolitre of production by 2025, compared to the overall level of 2.5 in 2020.

MSCI also noted that the company has begun linking executive pay with sustainability performance, including occupational safety. Aside from training farmers on sustainable farming, Bud APAC has begun soil testing at some parts of the agricultural supply chain, aimed at sequestering carbon. On the community front, Bud APAC is also taking seriously its responsibility to promote responsible drinking. It has conducted "Smart Drinking" marketing campaigns across its APAC markets, provided consumers with high-quality no-alcohol and low-alcohol beers and improved alcohol literacy through guidance labelling of its beers.



Our Investment Manager's Case Studies

Continued

AIA Group (Hong Kong)

What does the company do?

AIA is the largest independent publicly listed pan-Asian life insurance group offering a wide range of products. Present in 18 markets, AIA is well positioned to take advantage of the growing affluence of a rising middle class across the region.

Why do we like the investment?

One of AIA's key competitive advantages is its premier agency strategy to target the affluent, with best-in-class agents who are more extensively trained than those of AIA's domestic peers. The group's management is stable, with a wealth of experience, and they have successfully executed AIA's strategy over the years. While its new business sales were affected by Covid-19, AIA's rapid adoption of digital tools helped mitigate the impact. AIA noted that this focus on using digital to transform AIA into a simpler, faster and more connected organisation is driving higher distribution productivity, delivering greater efficiency and improving customer experience. In 2021, for instance, over 95% of policies bought were issued electronically. AIA has over 9.2 million registered customers. Around 75% of claims were submitted digitally, with 100% of claims paid digitally. Last year, the group's value of new business grew by 18% to US\$3.4 billion, led by its China business.

The Chinese life insurance market remains significantly underpenetrated, offering tremendous growth potential for AIA and the group is making good progress in establishing and growing its premier agency strategy in new geographies. More broadly, AIA is well positioned to benefit from structural trends, including an ageing Asian population and rising disposable income amid an expanding middle class. Asia's diversity has also meant that AIA is able to pitch high-margin health and medical policies in mature markets, including Hong Kong and Singapore, while offering long-term savings plans in countries with younger demographics, such as China.

What is our key area of engagement?

We have spoken with AIA on its approach to sustainability on a number of occasions, the latest of which was in early October 2021. The discussions covered net zero and the company's five sustainability pillars; they included specific conversations on people and culture and the development of more detailed key performance indicators in relation to the sustainability pillars. It is clear that the group is making good progress.

What is the result?

An independent endorsement of the progress made has been that MSCI upgraded AIA's ESG rating from A to AA on 27 October 2021, highlighting the company's development of its workforce as a significant driver of the upgrade. AIA's employee turnover dropped from 13.5% in 2019 to 9.5% in 2020, which was better than the industry average of 12.8% in 2020. MSCI also highlighted AIA's initiatives on responsible investment.

AIA assesses its investment portfolio's exposure to ESG risks across fixed income and equity asset classes, and it proactively engages with investee companies on sustainability principles. Encouragingly, all of these were topics that we had engaged with the company on before the rating upgrade.

AIA has pledged to reach net zero greenhouse gas emissions by 2050 and is also committed to the Science Based Targets Initiative ("SBTi") to set ambitious emissions reduction targets in line with the latest climate science. In addition, AIA has completed its divestment from coal in directly managed listed equity and fixed income exposure, seven years ahead of schedule.



Condensed Statement of Comprehensive Income (unaudited)

	Note	Six months ended 28 February 2022			Six months ended 28 February 2021		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(Losses)/gains on investments		-	(53,526)	(53,526)	-	143,315	143,315
Net currency losses		-	(74)	(74)	-	(51)	(51)
Income	2	2,689	-	2,689	4,800	-	4,800
Investment management fee		(565)	(1,697)	(2,262)	(591)	(1,773)	(2,364)
Administrative expenses		(508)	-	(508)	(560)	-	(560)
Net return/(loss) before finance costs and taxation		1,616	(55,297)	(53,681)	3,649	141,491	145,140
Interest payable and similar charges		(101)	(302)	(403)	(83)	(249)	(332)
Net return/(loss) before taxation		1,515	(55,599)	(54,084)	3,566	141,242	144,808
Taxation	3	(317)	722	405	(705)	(2,369)	(3,074)
Net return/(loss) attributable to equity shareholders		1,198	(54,877)	(53,679)	2,861	138,873	141,734
Return per Ordinary share (pence)	4	0.97	(44.43)	(43.46)	2.28	110.49	112.77

The total columns of this statement represent the profit and loss account of the Company. There is no other comprehensive income and therefore the return attributable to equity shareholders is also the total comprehensive income for the period.

All revenue and capital items in the above statement derive from continuing operations.

The accompanying notes are an integral part of the condensed financial statements.

Condensed Statement of Financial Position (unaudited)

	Notes	As at 28 February 2022 £'000	As at 31 August 2021 £'000
Non-current assets			
Investments at fair value through profit or loss		696,720	766,794
Current assets			
Debtors and prepayments		2,816	5,782
Cash and cash equivalents		3,832	5,000
		6,648	10,782
Creditors: amounts falling due within one year			
Other creditors		(2,850)	(1,840)
Bank loan	10	(64,999)	(64,998)
		(67,849)	(66,838)
Net current liabilities		(61,201)	(56,056)
Creditors: amounts falling due after more than one year			
Deferred tax liability on Indian capital gains	3	(3,020)	(3,809)
		(3,020)	(3,809)
Net assets		632,499	706,929
Capital and reserves			
Called-up share capital		31,922	31,922
Share premium account		60,416	60,416
Capital redemption reserve		28,154	28,154
Capital reserve	6	477,995	545,582
Revenue reserve		34,012	40,855
Equity shareholders' funds		632,499	706,929
Net asset value per Ordinary share (pence)	7	517.33	566.60

Condensed Statement of Changes in Equity (unaudited)

Six months ended 28 February 2022

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 August 2021	31,922	60,416	28,154	545,582	40,855	706,929
(Loss)/return after taxation	-	-	-	(54,877)	1,198	(53,679)
Dividend paid (note 8)	-	-	-	-	(8,041)	(8,041)
Buyback of Ordinary shares for treasury	-	-	-	(12,710)	-	(12,710)
Balance at 28 February 2022	31,922	60,416	28,154	477,995	34,012	632,499

Six months ended 28 February 2021

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 August 2020	31,922	60,416	28,154	441,359	37,580	599,431
Return after taxation	-	-	-	138,873	2,861	141,734
Dividend paid (note 8)	-	-	-	-	(5,965)	(5,965)
Buyback of Ordinary shares for treasury	-	-	-	(4,756)	-	(4,756)
Balance at 28 February 2021	31,922	60,416	28,154	575,476	34,476	730,444

Condensed Statement of Cash Flows (unaudited)

	Six months ended 28 February 2022 £'000	Six months ended 28 February 2021 £'000
Operating activities		
Net return before taxation	(54,084)	144,808
Adjustments for:		
Losses/(gains) on investments	53,526	(143,315)
Currency losses	74	51
Increase in accrued dividend income	(324)	(1,427)
Decrease in other debtors	13	19
(Decrease)/increase in other creditors	(161)	190
Interest payable and similar charges	392	318
Stock dividends included in investment income	-	(327)
Overseas withholding tax	(356)	(416)
Cash used in operations	(920)	(99)
Interest paid	(427)	(318)
Net cash outflow from operating activities	(1,347)	(417)
Investing activities		
Purchases of investments	(108,233)	(148,894)
Sales of investments	129,304	116,181
Capital gains tax on sales	(67)	-
Net cash from/(used in) investing activities	21,004	(32,713)
Financing activities		
Equity dividend paid	(8,041)	(5,965)
Buyback of Ordinary shares to treasury	(12,710)	(4,756)
Drawdown of loan	-	34,000
Net cash (used in)/from financing activities	(20,751)	23,279
Decrease in cash and cash equivalents	(1,094)	(9,851)
Analysis of changes in cash and cash equivalents during the period		
Opening balance	5,000	11,390
Effect of exchange rate fluctuations on cash held	(74)	(51)
Decrease in cash and cash equivalents as above	(1,094)	(9,851)
Closing balance	3,832	1,488
Represented by:		
Money market funds	-	100
Cash and short term deposits	3,832	1,388
	3,832	1,488

Notes to the Financial Statements

1. Accounting policies

Basis of preparation. The condensed financial statements have been prepared in accordance with Financial Reporting Standard 104 (Interim Financial Reporting) and with the principles of the Statement of Recommended Practice for 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. Given that the Company's portfolio comprises primarily "Level 1" assets (listed on a recognisable exchange and realisable within a short timescale), and the Company's relatively low level of gearing, the Directors believe that adopting a going concern basis of accounting remains appropriate. The condensed financial statements have also been prepared on the assumption that approval as an investment trust will continue to be granted by HMRC.

The interim financial statements have been prepared using the same accounting policies as the preceding annual financial statements.

2. Income

	Six months ended 28 February 2022 £'000	Six months ended 28 February 2021 £'000
Income from investments		
Overseas dividends	2,688	4,799
	2,688	4,799
Other income		
Interest from money market funds	1	1
	1	1
Total income	2,689	4,800

3. Taxation

The taxation for the period represents withholding tax suffered on overseas dividend income and a movement in provision for Indian Capital Gains Tax.

An amount of £317,000 of withholding tax was suffered in the six months to 28 February 2022 (28 February 2021 - £705,000). The Indian Capital Gains Tax accrual has decreased by £789,000 (28 February 2021 - increase of £2,369,000) since the year end with a balance outstanding at 28 February 2022 of £3,020,000 (28 February 2021 - £3,423,000).

Notes to the Financial Statements

Continued

4. Return per Ordinary share

	Six months ended 28 February 2022	Six months ended 28 February 2021
	p	p
Basic		
Revenue return	0.97	2.28
Capital return	(44.43)	110.49
Total return	(43.46)	112.77

The figures above are based on the following:

	£'000	£'000
Revenue return	1,198	2,861
Capital return	(54,877)	138,873
Total return	(53,679)	141,734

Weighted average number of Ordinary shares in issue	123,525,060	125,681,941
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The Company has no securities in issue that could dilute the return per Ordinary share. Therefore, for the six months ended 28 February 2022 (28 February 2021 - same) no diluted calculation is provided.

5. Transaction costs

During the period expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. These have been expensed through capital and are included within gains/(losses) on investments in the Condensed Statement of Comprehensive Income. The total costs were as follows:

	Six months ended 28 February 2022	Six months ended 28 February 2021
	£'000	£'000
Purchases	141	201
Sales	261	201
	402	402

6. Capital reserves

The capital reserve reflected in the Condensed Statement of Financial Position at 28 February 2022 includes gains of £166,550,000 (31 August 2021 - £241,988,000) which relate to the revaluation of investments held at the reporting date.

7. Net asset value

The net asset value per share and the net assets attributable to the Ordinary shareholders at the period end were as follows:

	As at 28 February 2022	As at 31 August 2021
Net assets attributable (£'000)	632,499	706,929
Number of Ordinary shares in issue ^A	122,261,668	124,766,350
Net asset value per share (pence)	517.33	566.60

^A Excluding shares held in treasury.

8. Dividends

	Six months ended 28 February 2022 £'000	Six months ended 28 February 2021 £'000
2020 final dividend - 4.75p	-	5,965
2021 final dividend - 6.5p	8,041	-
	8,041	5,965

There will be no interim dividend for the year to 31 August 2022 (2021 - nil) as the objective of the Company is long-term capital appreciation.

9. Fair value hierarchy

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following classifications:

Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable (ie developed using market data) for the asset or liability, either directly or indirectly.

Level 3: inputs are unobservable (ie for which market data is unavailable) for the asset or liability.

All of the Company's investments are in quoted equities (31 August 2021 - same) which are actively traded on recognised stock exchanges, with their fair value being determined by reference to their quoted bid prices at the reporting date. The total value of the investments as at 28 February 2022 of £696,720,000 (31 August 2021 - £766,794,000) has therefore been deemed as Level 1.

Notes to the Financial Statements

Continued

10. Bank loans

The Company has a £50,000,000 multicurrency revolving facility with Scotiabank Europe Plc. This agreement was entered into on 30 July 2019 with a termination date of 29 July 2022. At 28 February 2022, £40,000,000 of this facility has been drawn down at a rate of 1.42770% which matures on 25 March 2022.

The Company has a fixed loan facility agreement of £25,000,000 at an interest rate of 1.61% with Scotiabank Europe Plc, with a termination date of 29 July 2022. The agreement of this facility incurred an arrangement fee of £7,500, which is being amortised over the life of the loan.

The agreements contain the following covenants:

- the net asset value of the Company shall not at any time be less than £385 million.
- the adjusted asset coverage of the Company, as defined in the loan facility agreement, shall not at any time be less than 4.00 to 1.00.

All covenants have been complied with throughout the period.

11. Called-up share capital

In the six months to 28 February 2022, the Company bought back 2,504,682 (28 February 2021 - 1,018,529) Ordinary shares to be held in treasury, at a total cost of £12,710,000 (28 February 2021 - £4,756,000).

At the end of the period there were 159,611,677 (28 February 2021 - 159,611,677) Ordinary shares in issue, of which 37,350,009 (28 February 2021 - 34,271,753) were held in treasury.

Since the period end a further 851,096 Ordinary shares of have been purchased by the Company at a total cost of £3,798,000, all of which were held in treasury.

12. Analysis of changes in net debt

	At 31 August 2021 £'000	Currency differences £'000	Cash flows £'000	Non-cash movements £'000	At 28 February 2022 £'000
Cash and short term deposits	5,000	(74)	(1,094)	-	3,832
Debt due within one year	(64,998)	-	-	(1)	(64,999)
	(59,998)	(74)	(1,094)	(1)	(61,167)

	At 31 August 2020 £'000	Currency differences £'000	Cash flows £'000	Non-cash movements £'000	At 28 February 2021 £'000
Cash and short term deposits	11,390	(51)	(9,851)	-	1,488
Debt due within one year	(6,000)	-	(34,000)	-	(40,000)
Debt due after more than one year	(24,995)	-	-	(1)	(24,996)
	(19,605)	(51)	(43,851)	(1)	(63,508)

A statement reconciling the movement in net funds to the net cash flow has not been presented as there are no differences from the above analysis.

13. Related party transactions and transactions with the Manager.

The Company has an agreement with Aberdeen Standard Fund Managers Limited ("ASFML" or the "Manager") for the provision of management and administration services, promotional activities and secretarial services.

The management fee is calculated at 0.85% per annum of net assets up to £350 million and 0.50% per annum of net assets over this threshold. Management fees are calculated and payable on a quarterly basis, and is charged 75% to capital and 25% to revenue. During the period £2,262,000 (28 February 2021 – £2,364,000) of management fees were payable to the Manager, with a balance of £1,097,000 (28 February 2021 – £1,219,000) due to ASFML at the period end.

The management agreement is terminable by the Company on three months' notice or in the event of a change of control in the ownership of the Manager. The notice period required to be given by the Manager is six months.

At the end of the period the Company had £nil (28 February 2021 – £100,000) invested in Aberdeen Standard Liquidity Fund (Lux) – Sterling Fund which is managed and administered by abrdn. The Company pays a management fee on the value of these holdings but no fee is chargeable at the underlying fund level.

Promotional activities costs are based on current annual amount of £200,000 (28 February 2021 – £200,000), payable quarterly in arrears. During the period £100,000 (28 February 2021 – £100,000) of fees were payable, with a balance of £32,000 (28 February 2021 – £32,000) being due at the period end.

14. Segmental information

The Company is engaged in a single segment of business, which is to invest in equity securities. All of the Company's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based on the Company as one segment.

Notes to the Financial Statements

Continued

15. Half-Yearly Financial Report

The financial information contained in this Half-Yearly Financial Report does not constitute statutory accounts as defined in Sections 434 - 436 of the Companies Act 2006. The financial information for the six months ended 28 February 2022 and 28 February 2021 has not been audited. The Company's external auditor, PricewaterhouseCoopers LLP has not reviewed the financial information for the six months ended 28 February 2022.

The information for the year ended 31 August 2021 has been extracted from the latest published audited financial statements which have been filed with the Registrar of Companies. The report of the auditor on those accounts contained no qualification or statement under Section 498(2) or (3) of the Companies Act 2006.

16. This Half-Yearly Financial Report was approved by the Board on 21 April 2022.

Alternative Performance Measures

Alternative Performance Measures ("APMs") are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Company's applicable financial framework includes FRS 102 and the AIC SORP. The Directors assess the Company's performance against a range of criteria which are viewed as particularly relevant for closed-end investment companies.

Discount to net asset value per Ordinary share

The difference between the share price and the net asset value per Ordinary share expressed as a percentage of the net asset value per Ordinary share.

		28 February 2022	31 August 2021
NAV per Ordinary share (p)	a	517.33	566.60
Share price (p)	b	474.00	512.00
Discount	(a-b)/a	8.4%	9.6%

Net gearing

Net gearing measures the total borrowings less cash and cash equivalents divided by shareholders' funds, expressed as a percentage. Under AIC reporting guidance cash and cash equivalents includes net amounts due to and from brokers at the year end as well as cash and short term deposits.

		28 February 2022	31 August 2021
Borrowings (£'000)	a	64,999	64,998
Cash (£'000)	b	3,832	5,000
Amounts due to brokers (£'000)	c	1,466	260
Amounts due from brokers (£'000)	d	833	4,150
Shareholders' funds (£'000)	e	632,499	706,929
Net gearing	(a-b+c-d)/e	9.8%	7.9%

Ongoing charges ratio

The ongoing charges ratio has been calculated in accordance with guidance issued by the AIC as the total of investment management fees and administrative expenses and expressed as a percentage of the average net asset values with debt at fair value throughout the year. The ratio for 28 February 2022 is based on forecast ongoing charges for the year ending 31 August 2022.

	28 February 2022	31 August 2021
Investment management fees (£'000)	4,456	4,774
Administrative expenses (£'000)	1,021	1,102
Less: non-recurring charges ^A (£'000)	(29)	(18)
Ongoing charges (£'000)	5,448	5,858
Average net assets (£'000)	660,432	707,217
Ongoing charges ratio	0.82%	0.83%

^A Comprises legal and professional fees which are not expected to recur.

Alternative Performance Measures

Continued

The ongoing charges ratio provided in the Company's Key Information Document is calculated in line with the PRIIPs regulations which among other things, includes the cost of borrowings and transaction costs.

Total return

NAV and share price total returns show how the NAV and share price has performed over a period of time in percentage terms, taking into account both capital returns and dividends paid to shareholders. Share price and NAV total returns are monitored against open-ended and closed-ended competitors, and the Reference Index, respectively.

Six months ended 28 February 2022		NAV	Share Price
Opening at 1 September 2021	a	566.60p	512.00p
Closing at 28 February 2022	b	517.33p	474.00p
Price movements	$c=(b/a)-1$	-8.7%	-7.4%
Dividend reinvestment ^A	d	1.0%	1.1%
Total return	c+d	-7.7%	-6.3%

Year ended 31 August 2021		NAV	Share Price
Opening at 1 September 2020	a	474.39p	416.00p
Closing at 31 August 2021	b	566.60p	512.00p
Price movements	$c=(b/a)-1$	19.4%	23.1%
Dividend reinvestment ^A	d	1.1%	1.2%
Total return	c+d	+20.5%	+24.3%

^A NAV total return involves investing the net dividend in the NAV of the Company with debt at fair value on the date on which that dividend goes ex-dividend. Share price total return involves reinvesting the net dividend in the share price of the Company on the date on which that dividend goes ex-dividend.

Investor Information

How to Invest

Investors can buy and sell shares in Asia Dragon Trust plc (the "Company") directly through an online dealing provider or platform, stockbroker or indirectly through a lawyer, accountant or other professional adviser. Many have online facilities. Shareholders who wish to exercise their voting rights or attend general meetings should contact their provider directly. Alternatively, for retail clients, shares may be bought directly through the abrdrn Investment Trust Share Plan, Individual Savings Account ("ISA") or Investment Plan for Children or through other tax efficient wrappers.

Online Dealing Providers and Platforms

There are a number of online dealing platforms for private investors that offer share dealing, ISAs and other means to invest in the Company, such as self-invested personal pensions (SIPPs). Real-time execution-only stockbroking services allow you to trade online, manage your portfolio and buy UK listed shares. These sites do not give advice. Some comparison websites also look at dealing rates and terms. Some well-known online providers, which can be found through internet search engines, include:

AJ Bell Youinvest; Barclays Smart Investor; Charles Stanley Direct; EQi; Fidelity; Halifax Share Dealing; Hargreaves Lansdown; Interactive Investor; Novia; Transact and Interactive Investor.

abrdrn Investment Trust Share Plan

abrdrn operates an Investment Trust Share Plan (the "Plan") through which shares in the Company can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%) where applicable on purchases. Selling costs are £10+VAT. There is no restriction on how long an investor need invest in a Plan, and regular savers can stop or suspend participation by instructing abrdrn in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

abrdrn Investment Trust ISA

abrdrn operates an Investment Trust ISA ("ISA") through which an investment made be made of up to £20,000 in the tax year 2022/23.

There are no brokerage or initial charges for the ISA, although investors will suffer the bid-offer spread, which can be a significant amount. Investors only pay Government Stamp Duty (currently 0.5%) on purchases where applicable. Selling costs are £15 + VAT. The annual ISA administration charge is £24 + VAT, calculated annually and deducted on 31 March (or the last business day in March) either by direct debit or, if there is no valid direct debit mandate in place, from the available cash in the Plan prior to the distribution or reinvestment of any income, or, where there is insufficient cash in the Plan, from the sale of investments held in the Plan. Under current legislation, investments in ISAs can grow free of capital gains tax. Investors have full voting and other rights of share ownership.

ISA Transfer

Investors can choose to transfer previous tax year investments to abrdrn which can be invested in the Company while retaining their ISA wrapper. The minimum lump sum for an ISA transfer is £1,000 and is subject to a minimum per trust of £250.

abrdrn Investment Plan for Children

abrdrn operates an Investment Plan for Children (the "Children's Plan") which covers a number of investment companies under its management including the Company. Anyone can invest in the Children's Plan (subject to the eligibility criteria as stated within the terms and conditions), including parents, grandparents and family friends. All investments are free of dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £150 per trust, while regular savers may invest from £30 per month. Investors simply pay Government Stamp Duty (currently 0.5%) where applicable on purchases. Selling costs are £10+VAT. There is no restriction on how long an investor need invest in the Children's Plan, and regular savers can stop or suspend participation by instructing abrdrn in writing at any time. Investors have full voting and other rights of share ownership.

Investor Information

Continued

Discretionary Private Client Stockbrokers

If you have a large sum to invest, you may wish to contact a discretionary private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit The Personal Investment Management & Financial Advice Association at: pimfa.co.uk

Financial Advisers

To find an adviser who recommends on investment trusts, visit: unbiased.co.uk

Regulation of Stockbrokers

Before approaching a stockbroker, always check that they are regulated by the Financial Conduct Authority:

Tel: **0800 111 6768** or
visit <https://register.fca.org.uk>
Email: register@fca.org.uk

Dividend Tax Allowance

The annual tax-free personal allowance for dividend income, for UK investors, is £2,000 for the 2022/23 tax year. Above this amount, individuals will pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company will continue to provide registered shareholders with a confirmation of dividends paid by the Company and this should be included with any other dividend income received when calculating and reporting to HMRC total dividend income received. It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

Keeping You Informed

The Company's share price can be found in the Financial Times under the heading 'Investment Companies' and information of the Company may be found on its dedicated website (asiadragon.co.uk) and the TrustNet website (trustnet.co.uk). This provides access to information on the Company's share price performance, capital structure, London Stock Exchange announcements, current and historic Annual and Half-Yearly Reports, and the latest monthly factsheet on the Company issued by the Manager.

Details on the Company or literature and application forms on abrdn managed savings products can be found:

Website: www.invtrusts.co.uk
Email: inv.trusts@abrdn.com
Tel: **0808 500 0040**

Address: abrdn Investment Trusts, PO Box 11020, Chelmsford, Essex CM99 2DB

Terms and conditions for the abrdn investment trust products can be found under the Literature section of this website.

Company's Registrars

Alternatively, if you have an administrative query which relates to a direct holding, please contact the Company's Registrar, as follows:

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA

Shareholder helpline: **0371 384 2499**
Shareview enquiry line: **0371 384 2020**
Textel/hard of hearing: **0371 384 2255**
Overseas helpline: **+44 (0) 121 415 7047**

(Lines open 8.30am to 5.30pm, Monday to Friday excluding bank holidays. Charges for calling telephone numbers starting with '03' are determined by the caller's service provider).

Pre-investment Disclosure Document ("PIDD")

The AIFMD requires Aberdeen Standard Fund Managers Limited, as the alternative investment fund manager of the Company, to make available to investors certain information prior to such investors' investment in the Company.

The Company's PIDD is available for viewing on its website.

Key Information Document ("KID")

The KID relating to the Company and published by the Manager can be found on the Manager's website at: <https://www.asiadrragontrust.co.uk/en/literature-library>

Suitable for Retail/NMPI Status

The Company's shares are intended for investors primarily in the UK, including retail investors, professional-advised private clients and institutional investors who seek total returns from investment in Asian markets and who understand and are willing to accept the risks of exposure to equities. Investors should consider consulting a financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs so that securities issued by the Company can be recommended by a financial adviser to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream pooled investment products (NMPs) and intends to continue to do so for the foreseeable future.

The Company's securities are not subject to the FCA's restrictions which apply to non-mainstream pooled investment products because they are shares in an investment trust.

Investor Warning: Be alert to share fraud and boiler room scams

abrdn is aware that some investors have received telephone calls and emails from people, purporting to work for abrdn or third party firms, who have offered to buy their investment company shares. abrdn Investments has also been notified of emails claiming that certain investment companies under their management have issued claims in the courts against individuals.

These may be scams which attempt to gain personal information with which to commit identity fraud or could be 'boiler room' scams where a payment from you is required to release the supposed payment for their shares. These callers/senders do not work for abrdn and any third party making such offers/claims has no link with the abrdn. abrdn never makes these types of offers and does not 'cold-call' investors in this way. If investors have any doubt over the veracity of a caller, they should not offer any personal information, end the call and contact abrdn's investor services centre using the details provided in the section entitled "Keeping You Informed".

The Financial Conduct Authority provides advice with respect to share fraud and boiler room scams at: [fca.org.uk/consumers/scams](https://www.fca.org.uk/consumers/scams)

Note

Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment trusts purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, as well as the tax treatment of ISAs, may be changed by future legislation.

The above information has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Conduct Authority.

Contact Addresses

Directors

James Will (Chairman)
Gaynor Coley
Matthew Dobbs (appointed 1 February 2022)
Susan Sternglass Noble
Charlie Ricketts

Manager, Investment Manager, Secretary and Registered Office

Alternative Investment Fund Manager*

Aberdeen Standard Fund Managers Limited
Authorised and regulated by the Financial Conduct Authority

Bow Bells House
1 Bread Street
London EC4M 9HH
(* appointed as required by EU Directive 2011/61/EU)

Investment Manager

abrdrn Asia Limited
21 Church Street
#01-01 Capital Square Two
Singapore 049480

Secretary and Registered Office

Aberdeen Asset Managers Limited
1 George Street
Edinburgh EH2 2LL
Telephone: 0131 528 4000

(authorised and regulated by the Financial Conduct Authority)

Website

asiadragontrust.co.uk

Registrars

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA

Telephone: 0371 384 2499
Website: equiniti.com

Depository

BNP Paribas Securities Services, London Branch

Auditor

PricewaterhouseCoopers LLP

Broker

Winterflood Securities
The Atrium Building
Cannon Bridge
25 Dowgate Hill
London EC4R 2GA

Foreign Account Tax Compliance Act ("FATCA") Registration Number ("GIIN")

IRS Registration Number (GIIN): 2WA1VW.99999.SL.826

Legal Entity Identifier ("LEI")

549300W4KB0D75D1N730

Company Registration Number

SC106049



Important Information

Investment Objective

To achieve long-term capital growth through investment in Asia, with the exception of Japan and Australasia. Investments are made primarily in stock markets in the region, principally in large companies. When appropriate, the Company will utilise gearing to maximise long term returns.

Company Benchmark

MSCI All Country Asia (ex Japan) Index (sterling adjusted).

Visit our Website

To find out more about Asia Dragon Trust plc, please visit: asiadragontrust.co.uk

For more information visit abrdn.com/investment

abrdn.com