Asia Dragon Trust plc

Half-Yearly Report 29 February 2024

Capturing growth from world-class Asian companies

asiadragontrust.co.uk

Contents

Performance Highlights

Net asset value total return [A]
Six months ended 29 February 2024

+1.5%

Year ended 31 August 2023 –16.7%

Share price total return [A]
Six months ended 29 February 2024

+2.0%

Year ended 31 August 2023 –19.5%

Benchmark total return (in sterling terms)
Six months ended 29 February 2024

+3.7%

Year ended 31 August 2023 –8.4%

Discount to net asset value [A]
As at 29 February 2024

16.0%

As at 31 August 2023 16.2%

[A] Considered to be an Alternative Performance Measure as defined on pages 32 and 33.

Total Return Performance (With Dividends Reinvested)

	6 months ended 29/02/2024	Year ended 29/02/2024	01/09/2021 – 29/02/2024[A]	3 years ended 29/02/2024	5 years ended 29/02/2024	10 years ended 29/02/2024
Net asset value per share[B]	+1.5%	–8.9%	–22.6%	–24.7%	+8.4%	+77.3%
Share price[B]	+2.0%	–12.2%	–27.6%	–29.3%	+2.4%	+69.7%
MSCI AC Asia (ex Japan) Index (sterling adjusted)	+3.7%	+0.8%	–11.7%	–14.2%	+16.7%	+102.4%

[A] The monitoring period for the Company's five year performance related conditional tender commenced on 1 September 2021. See the outside back cover of the Half Yearly Report for further details.

[B] Considered to be an Alternative Performance Measure as defined on page 33.

Financial Calendar and Additional Financial Data

Financial Calendar

Financial year end	**31 August 2023**
Announcement of annual results for year ending 31 August 2024	**November 2024**
Annual General Meeting in London	**December 2024**
Final Ordinary dividend payable for year ending 31 August 2024	**December 2024**

Additional Financial Data (Capital Returns)

	29 February 2024	31 August 2023	% change
Total shareholders' funds (£'000)	**678,832**	479,169	+41.7
Net asset value per share (capital return basis) (p)	**420.43**	421.26	–0.2
Share price (capital return basis) (p)	**353.00**	353.00	–
Discount to net asset value (%) [A]	**16.0**	16.2	
MSCI AC Asia (ex Japan) Index (in sterling terms; capital return basis)	**946.31**	918.92	+3.0
Net gearing % [A]	**8.0**	5.8	+37.9
Ongoing charges ratio including management fee waiver [AB]	**0.76**	0.91	
Ongoing charges ratio excluding management fee waiver [AC]	**0.87**	0.91	

[A] Considered to be an Alternative Performance Measure as defined on pages 32 and 33.
[B] 29 February 2024 includes the management fee waiver agreed between the Company and the Manager following the combination with abrdn New Dawn Investment Trust plc during the period (see note 13 for further details).
[C] 29 February 2024 is calculated on the assumption that the management fee waiver agreement between the Company and the Manager following the combination with abrdn New Dawn Investment Trust plc during the period (see note 13 for further details) is excluded.

"There are multiple themes that reinforce the attractiveness of Asia, with growing momentum in the technology cycle with AI adoption rising rapidly and Asia at the heart of the global technology supply chain ….the Manager's committed focus on quality companies with solid balance sheets and sustainable earnings prospects should position the Company to deliver attractive returns for shareholders over the longer term"

James Will, Chairman

Capturing growth from world-class Asian companies

As a long-term, cornerstone investment in Asian equity markets, Asia Dragon Trust seeks to provide investors with access to high quality companies - companies we believe to be attractively valued with effective management, good cash flows and healthy balance sheets.

Leading: in a market of diverse corporate quality, our Manager's intensive approach seeks to bring together world-class, quality Asian companies that are transforming their sector and setting governance standards.

Long term: as one of the largest Asian investment trusts, our size and extensive Manager experience makes Asia Dragon a solid cornerstone investment looking to drive steady, long-term growth from a volatile but unmissable region.

Local: at the heart of Asia for over 30 years, our Manager's broad and deep in-country presence gives us regional insight from a global perspective and outstanding corporate access across this complex, wide-ranging and fast-changing market.

Chairman's Statement

Significant events during the six months under review

In my annual statement for the year ended 31 August 2023, I updated shareholders on the progress made in respect of the proposed combination of the assets of the Company with those of abrdn New Dawn Investment Trust plc ("New Dawn").

At that time the Company's shareholders had approved the proposals at the General Meeting held on 25 October 2023 with over 99.9% of votes in favour of all resolutions. This paved the way for the combination to progress, subject to the approval of New Dawn's shareholders at its general meeting held on 8 November 2023. With the Scheme duly approved by New Dawn's shareholders on that date, the Company acquired approximately £214.7 million of net assets from New Dawn in consideration for the issue of 52,895,670 new Asia Dragon shares in accordance with the Scheme.

Furthermore, as anticipated by the proposals, we were pleased to welcome Nicole Yuen, Donald Workman and Stephen Souchon, previously directors of New Dawn, to the Board with effect from 9 November 2023.

The Board and I would like to express our thanks to the shareholders of both Asia Dragon and New Dawn for approving the combination by an overwhelming majority and we believe that the enlarged vehicle will provide further benefits to shareholders, some of which I highlight below:

- Enhanced profile and marketability of the enlarged Company;
- Lower management fee;
- Lower ongoing charges; and
- Enhanced liquidity of the Company's shares.

The amendments to the Investment Policy and to the Articles of Association described in the circular that the Company asked shareholders to vote upon were also all approved. In addition, as part of the agreed proposals, the level of any performance-related conditional tender offer of the Company (covering the period from 1 September 2021 to 31 August 2026) that may be triggered, has been reduced in size from up to 25% to up to 15% of the issued share capital of the enlarged Company. Thereafter, any future five-yearly conditional tender offers triggered by underperformance would revert back to up to 25% of the prevailing issued share capital as was set in 2021.

Results

The Company's net asset value ("NAV") rose by 1.5% in sterling total return terms over the period, lagging the MSCI All-Country Asia ex Japan Index (the "Benchmark"), which delivered a 3.7% increase. The share price ended the period at 353.0 pence, unchanged from the 31 August 2023 year end, reflecting a total return of 2.0% with dividends reinvested. The share price discount to NAV per share tightened marginally to 16.0%.

Market Review

Macro factors, rather than stock fundamentals, dominated market focus and sentiment over the six months ended 29 February 2024. Initially, the prospect of US interest rates staying higher for longer and deep concerns over China's property sector weighed on markets. Subsequently, encouraging news across several fronts pushed the Asian regional benchmark index to close with modest gains by the end of the review period. In China, positive spending and travel data following the Lunar New Year holiday, together with incremental policy support and intervention to shore up mainland stock markets, offset concerns over the beleaguered property sector and a slower-than-expected consumer recovery. Meanwhile, the US Federal Reserve's policy shift towards rate cuts in 2024 helped allay concerns over the global growth outlook. Further support came from solid corporate earnings results, particularly in the technology sector, with US chipmaker Nvidia's results indicating that there is real structural momentum behind artificial intelligence (AI) and the broader technology sector.

Performance, Portfolio Activity and Recent Changes

Chinese market exposure remained the biggest detractor to performance over this interim period. Investor confidence continued to be very weak with a focus on 'hot' themes such as AI and state-owned enterprise (SOE) reform instead of stock fundamentals. The impact on performance was compounded by a continuation of the market rotation towards value, with a continued sell-off in quality growth companies also affecting a number of the Company's holdings, despite them delivering on fundamentals. The sluggish consumer recovery also led to weakness in the Company's consumer holdings, including internet group Tencent, insurer AIA and brewer Budweiser APAC, which in the Manager's view remain companies with solid underlying operating models.

This negative impact was offset by the positive contributions from the Company's technology holdings, specifically in the semiconductor and technology hardware segments such as ASML, ASM International, Samsung Electronics and Taiwan Semiconductor Manufacturing Co.

In order to insulate the portfolio from the near-term headwinds seen in China, the Manager reviewed each of the Company's Chinese holdings, and sought to resize exposures where appropriate. As a result, the Manager has scaled back the portfolio's exposure to the Chinese market materially over the period, placing an emphasis on earnings visibility and cash flow generation. While the exposure to China has been scaled back, the Manager retains high conviction in the holdings that remain and continues to believe that China remains an attractive investment proposition for the longer term.

Elsewhere, the Manager also evaluated the portfolio's exposure to India, where we are seeing several tailwinds that are helping to sustain attractive earnings growth and continued solid economic growth. As a result, the Manager has increased the exposure to India over the period, adding several new stocks to the portfolio. One such example is Pidilite, a high-quality consumer and specialty chemicals business, with exposure to the increasing home improvement theme in India. The Manager has also introduced some good quality companies in Australia following the change in Investment Policy.

The Board monitors performance continuously and closely with the Manager in order to understand the drivers behind relative performance and actions being taken in the light of that. Post the Company's combination with New Dawn, the Board discussed with the Manager at length its concerns regarding the Company's continuing underperformance against the benchmark. We welcomed the opportunity to discuss comprehensively the Manager's commitment to the Company and the changes in investment process being made to seek to address underperformance.

While adhering to the quality-based investment approach, the Manager is committed to enhancing aspects of its investment approach, with a focus on improved portfolio construction and decision making, including concentrating the portfolio towards companies where the Manager has greater conviction. The Manager believes that this, together with enhanced risk management, should result in better downside resilience while retaining participation in the upside when growth resumes. The Manager continues to believe in a number of key structural themes that will underpin Asia's longer-term growth potential and has highlighted two of these themes in the Manager's Report – technology revolution and India. The Manager believes that a combination of these changes should benefit portfolio performance over the medium to long-term.

The Manager's Report on page 8 refers to changes made at the time of the combination. These include the change in Investment Policy to give greater geographic flexibility to invest in Australasia and to invest up to 30% in non-benchmark holdings which generate more than 50 per cent of their annual turnover or revenue from the Asia Pacific region excluding Japan. The Manager intends to take advantage of these flexibilities and has already done so.

Gearing

The Board continues to believe that the sensible use of modest gearing should enhance returns to shareholders over the longer term, making use of one of the benefits of the closed ended structure. Alongside the increasing opportunities seen in the market at attractive valuations, the Manager has increased gearing. The Company has two loan facilities which have been provided by The Royal Bank of Scotland International Limited; the first is a £25 million fixed rate loan which has been drawn in full and fixed for two years to July 2024 at an all-in rate of 3.5575% and the second a £35 million multi-currency revolving credit facility, fully drawn at the period end, under which the Company had the option to draw a further £15 million, subject to the lender's credit approval. Subsequent to the period end, with further investment opportunities identified by the Manager, the Company obtained bank credit approval and drew down in Hong Kong dollars £15 million sterling equivalent on this latter facility, with total borrowings at the time of writing amounting to £74.9 million representing net gearing of 10.0%, compared to 5.8% at the end of August 2023.

Discount and Share Buybacks

The discount level of the Company's shares is closely monitored by the Board and the Manager and the Company may buy back shares to improve trading liquidity, reduce discount volatility and enhance net asset value returns. During the six months to 29 February 2024, 5.18 million shares were bought back at a discount for treasury, delivering a 2p accretion to NAV per share. Since that date, a further 2.2 million shares have been bought back into treasury. Shares held in treasury can be reissued at a future date, at a premium to NAV per share, should a suitable opportunity arise.

Outlook

Asia remains on a resilient footing for the year ahead. China deserves mention given the challenging period it has been through. Headwinds remain, but the Manager maintains the view that there is the potential for further Chinese government policy support over the short term and continues to be confident of the country's prospects over the longer run. The other big market, India, optically looks expensive on near-term valuation multiples, but, in the context of the longer term structural growth potential, the Manager continues to see attractive investment opportunities across a range of sectors including materials, financials and consumer, supported by significant tailwinds from robust economic growth.

There are multiple themes that reinforce the attractiveness of Asia, with growing momentum in the technology cycle with AI adoption rising rapidly and Asia at the heart of the global technology supply chain. An increasingly complex geopolitical landscape is boosting global supply chain diversification, which is benefiting countries in Southeast Asia. The Manager's committed focus on quality companies with solid balance sheets and sustainable earnings prospects should position the Company to deliver attractive returns for shareholders over the longer term.

James Will
Chairman
22 April 2024

Investment Manager's Review

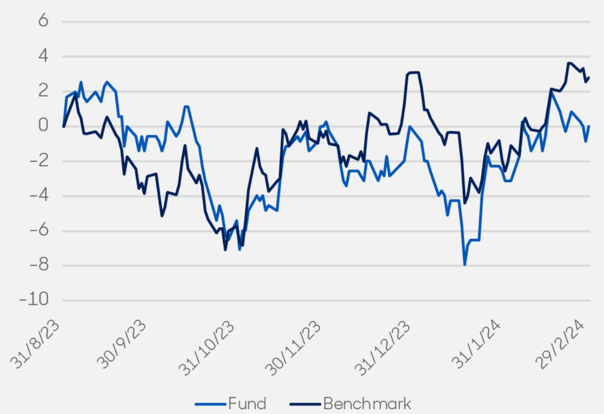
Performance

The MSCI AC Asia ex Japan benchmark index rose by 3.7% over the six months under review, while the Company's net asset value (NAV) increased by 1.5% in total return terms. China was the biggest challenge for performance as shown in the attribution chart below:

Asia Dragon: Underperformance due largely to China

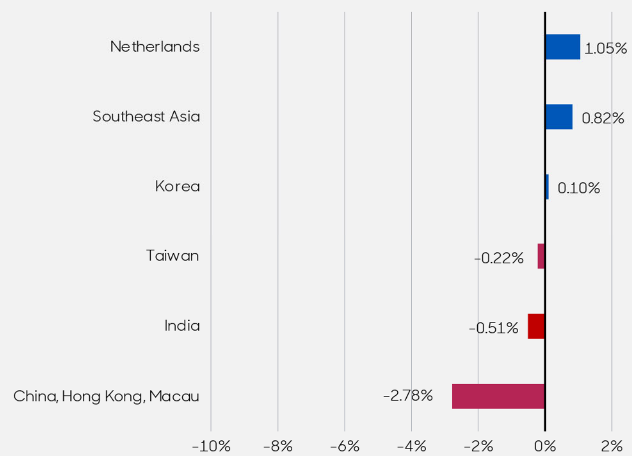
Chinese consumer, internet holdings the key detractors; IT holdings elsewhere mitigate impact.

Total returns in GBP terms (%)



Source: abrdn, Bloomberg, GBP, 29 February 2024
Benchmark: MSCI AC Asia ex Japan
Costs may increase or decrease as a result of currency and exchange rate fluctuations. This may impact what you might get back. Returns may vary due to currency fluctuation.
For illustrative purposes only. No assumptions regarding future performance should be made

Attribution drivers by country and region



Source: abrdn, Citi, Factset, GBP, 29 February 2024. Note: China includes China, Hong Kong and Macau markets.

Concerns around the Chinese real estate sector, lacklustre consumer spending and a sluggish macroeconomic environment dragged down investor confidence towards Chinese equities (defined here as China, Hong Kong and Macau equity markets). The retail-dominated mainland market succumbed to risk aversion, with even quality stocks caught in an indiscriminate, and in our view excessive, sell-off. Many international investors also reduced their China risk across the board.

We saw some of our holdings get sold down aggressively in the market, despite delivering on fundamentals. For example, **AIA Group**, the pan-Asia life insurer that is viewed as a China proxy, reported 33% growth in value of new business in 2023, but the stock was nevertheless punished due to the weak macro environment and poor investor sentiment, highlighting the stark disconnect between stock fundamentals and share prices.

From a portfolio perspective, we have reduced our exposure to China over the last six months weeding out stocks with uncertain near-term earnings visibility. Examples include **JD.com, Tongcheng Travel** and **WuXi Biologics**. On the flip side, where we view prospects as still solid and valuations attractive, we have both added to existing holdings and introduced new names. We have also sought to add to our indirect Chinese exposure, for example through Australian investment, which is discussed in greater detail below under the Portfolio Positioning section. Whilst we have reduced our overall China exposure, China nonetheless remains a significant driver of returns and risk for the portfolio overall. This reflects our view that many of our Chinese stocks remain fundamentally sound, despite the macro headwinds, and are now trading at substantially discounted valuations. On an encouraging note, Chinese equities appear to have found slightly firmer footing going into 2024. This development is underpinned by robust government support as well as a rebound in consumer activity and spending around the Lunar New Year period.

Investment Manager's Review

Continued

Outside of China, the macroeconomic picture has been far healthier. We continue to uncover attractive opportunities and are encouraged by the updates from the companies we meet. Quality companies also appear to be doing better, particularly in segments such as semiconductor and technology hardware. Our core holdings here include: **ASML, ASM International, Taiwan Semiconductor Manufacturing Co and Samsung Electronics,** all of which continue to deliver on performance and earnings. Returns from some of our holdings in India and Southeast Asia also did well over the review period. They include **Power Grid Corporation Of India**, online insurer **PB Fintech** and **SBI Life Insurance** in India, where the economy is firing on all cylinders. In Southeast Asia, Philippine property developer **Ayala Land** was a standout performer, given the continued strength in its residential and leasing businesses.

Portfolio Positioning

A "reset" after the merger but structural growth themes remain unchanged

Following the combination of the Company's assets with those of abrdn New Dawn Investment Trust plc in November 2023, we are delighted to be now managing a larger Company with more liquid shares that has greater flexibility to invest in Australasia and up to 30% in non-benchmark holdings and with the benefits that come with greater scale. Overall, the profile will be enhanced, which should help to generate greater investor interest in the Company.

We are taking advantage of the increased flexibility to provide differentiated exposures to the Asia growth story and enhance the Company's future returns. From a risk standpoint, we are approaching that in a calibrated and cautious way. For example, there is an opportunity for us to benefit from China's growth prospects by diversifying into indirect China exposures, such as Australian mining group **BHP** which is described in more detail below.

More broadly, over the longer term, we see the most attractive opportunities around some key structural themes in Asia. Rising affluence is spurring growth in premium consumption in areas including financial services, while urbanisation and an infrastructure boom is set to benefit property developers and mortgage providers. Growing technology adoption and integration means a bright future for plays on gaming, internet, fintech and tech services like the cloud, with Asia's tech supply chains well positioned for the rollout of 5G, big data and digital interconnectivity. In healthcare, Asia is home to some world class companies in the biotech and medical device technology fields. The region is also playing a central role in the green transition with plays on renewable energy, batteries, electric vehicles, related infrastructure, and environmental management all having a bright future. We have highlighted two themes in the next section that we feel have grown in their significance this year from an investment opportunity perspective.

Portfolio Themes: Two in the spotlight

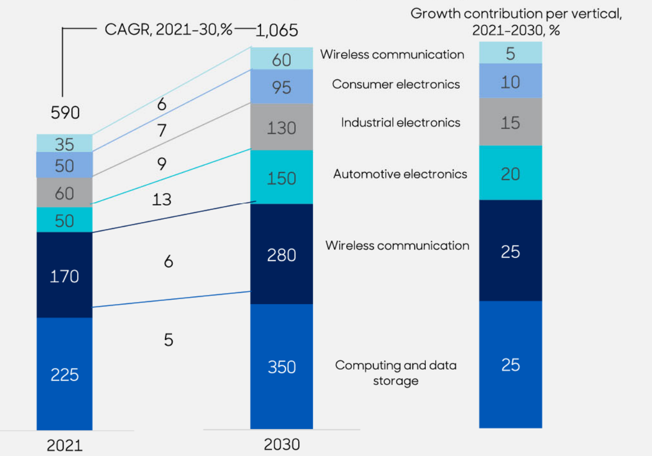
1 Technology revolution: Asia well placed to capitalise on AI boom

Asian tech sector expected to be a key driver for the region in 2024

Semiconductor cycle turning and rapid adoption of AI a further catalyst for demand

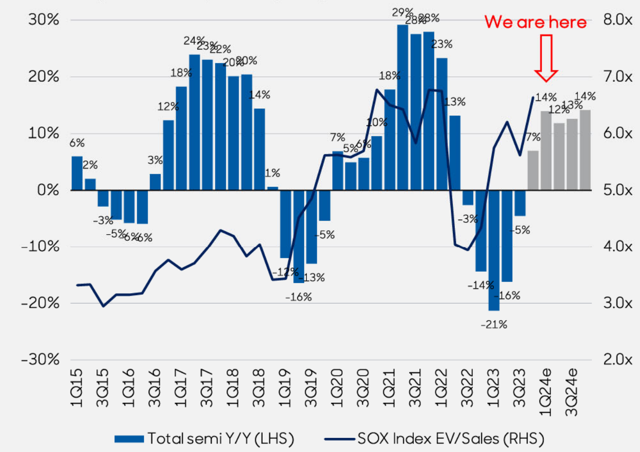
Overall growth in the global semiconductor market is driven by automative, data storage, and wireless industries

Global semiconductor market value by vertical, indicative, US$ billion



Source: Refinitv, SIA, Morgan Stanley Research estimates, December 2023

Destocking is underway and capex cycle will soon turn



Source: Refinitv, SIA, Morgan Stanley Research estimates, December 2023. Estimates are offered as opinion and is not reflective of potential performance. Estimates are not guaranteed and actual events or results may differ materially

You might recall that we restarted our efforts to build our technology exposure, particularly in technology hardware and semiconductor, at the beginning of 2023 after de-risking this substantially in 2022 on rising concerns of a cyclical downturn for the sector. The decision to add incrementally to our exposure back then was driven by our view that we had reached the cyclical bottom. Valuations were looking very attractive, especially when we look forward to the long term structural growth opportunities which we thought were not priced in by the market. What took us, and the broader industry, by surprise was how rapidly generative artificial intelligence (AI) grew with its significance increasing as we progressed through the year. This underpinned our confidence in the pace of the cyclical recovery of the sector and the overall opportunity size and long term structural growth prospects this presents from an investment perspective given Asia is home to the enablers of advanced technologies.

When it comes to generative AI applications, ChatGPT is just the tip of the iceberg, and we see Asia as being in the sweet spot to capitalise on the AI boom. Demand for AI has accelerated much faster than expected, with Nvidia and the server and networking supply chain among the winners in this fast-growing market. Over the longer run, Nvidia has highlighted a big US$1 trillion opportunity in the redesign of the global data centre architecture. AI, however, is not the only tech story that is creating waves: technology hardware shipments, including smartphones, are on the rise, alongside demand for high performance computing. The Asian semiconductor ecosystem is set to benefit from these trends, and significant beneficiaries include TSMC, the world's largest foundry, which is among our core IT positions.

Investment Manager's Review

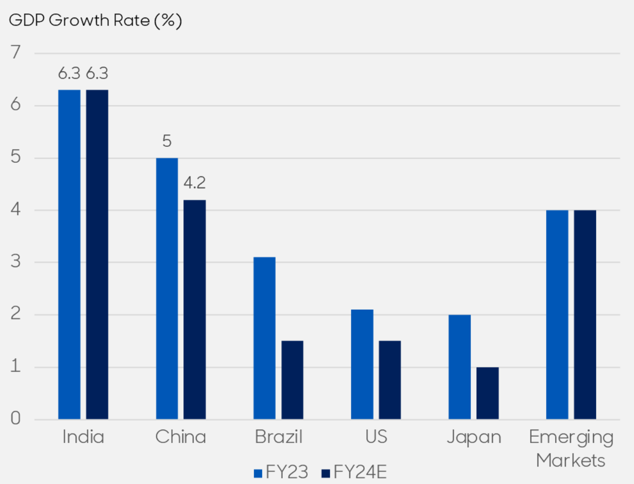
Continued

2 India: Fundamentally compelling with multi-decade structural growth story

India Macro in the driver's seat

World's fastest-growing large economy

India is already growing at c.6%!



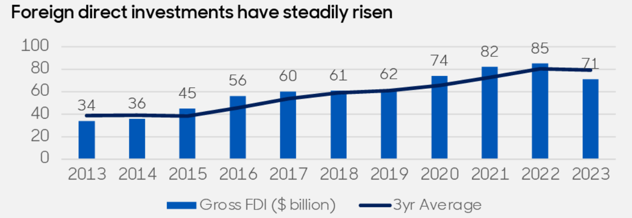
Source: IMF, 2023

Reforms have laid the foundation for long-term growth

Year	Measure	
2016	Bankruptcy code	Clean up of corporate/banking balance sheets
2016	Real Estate Act	Clean up of the housing sector
2017	GST roll out	Simplified taxation, improved collections
2014 – ongoing	Infrastructure Development	Physical – Roads, railways, airport
		Digital – Aadhar, UPI, Direct Benefit Transfer

Source: abrdn, February 2024

Foreign direct investments have steadily risen



Source: CMIE, Jefferies, February 2024

The Indian economy is in the early stages of a cyclical upswing after a prolonged period of relatively subdued economic growth. The government is also leading a public capex push to further support growth, create more jobs, and eventually spur private capex. India is also one of the most promising consumer stories globally. It has a large and young population with a rapidly growing middle class, which makes up about 31% of all households. This ratio is set to exceed more than 50% in the next decade.

We believe this is a multi-decade structural story, which will provide a baseline of support for India for many years to come. More importantly, India is home to a diverse set of companies that are well run and well positioned to capture the growth opportunities highlighted above. It is these high quality stocks with solid earnings visibility over the medium to long term that we are invested in. The caveat is that near-term valuation multiples look quite full, but as a long term investor valuations are less demanding on a medium term view where we have confidence in the growth trajectory of our companies.

Australia and Non-Benchmark Holdings

Taking advantage of the new geographic flexibility post-merger, 5.5% of the portfolio is now invested in Australia as at 29 February 2024. The four stocks we hold **– BHP, Cochlear, CSL** and **Woodside Energy Group** – provide us with exposure to Australia's commodities and healthcare sectors. As the benchmark for the Company remains the MSCI AC Asia ex Japan Index, these are all non-benchmark exposures. Whilst Australia and New Zealand are unlikely to offer the type of growth potential one may find in Emerging Asia, they are still home to some world-class companies. These names provide differentiated exposure and factors that are sometimes hard to access elsewhere in Asia when applying a quality lens.

Looking at the four stocks more closely, **BHP** is a natural resources group that has a strong suite of assets and diverse earnings streams, with organic growth opportunities, healthy cash flow and a solid balance sheet supporting the potential for additional returns to shareholders. Its core business is in iron ore, making it a proxy for China and the emerging markets' secular growth story. **Woodside** is a high-quality Australian liquid natural gas operator with its latest results suggesting a material improvement in the company's balance sheet and cashflow outlook. **Cochlear** is the global leader in hearing implants, such as cochlear, bone conduction and acoustic implants, to treat hearing loss. **CSL** is a leader in the global plasma products market, enjoying superior growth and returns because of its highly efficient collection and processing system, coupled with its commitment to research and development.

In addition to these Australian holdings, the Company is also invested in other non-benchmark holdings in markets as diverse as Vietnam, the Netherlands and the UK. In essence we are maximising the opportunity set and seeking out the best quality proxies for the Asian growth story, wherever they may be listed.

Other New Holdings

Aside from the addition of the Australian names mentioned above, we have also been focused on initiating positions in other quality companies with healthy earnings visibility and cashflow generation, including the three stocks highlighted below. These purchases have, in part, been funded by drawing down on additional debt, although the overall level of gearing on the Company remains in line with the level seen prior to the combination with the abrdn New Dawn Investment Trust.

ICICI Bank is India's second-largest private bank offering banking and financial services to both corporate and retail customers. It is also among the leading private players in both life and non-life businesses. The bank has been delivering superior growth and returns improvement without compromising on asset quality. It has leveraged on its scale together with its retail and digital franchise to expand in mortgages and grow off a low base in business banking and smaller companies, while its management gives confidence in articulating its growth approach.

Pidilite is a high-quality Indian consumer and speciality chemicals business with a key niche in adhesives. We like the company for its strong brands, dominant market position, capable management and robust balance sheet. All this has enhanced its ability to generate attractive returns. The Indian adhesives and sealants market is expected to grow high single-digits over the medium term being ultimately a play on the home improvement theme and with India in the early stages of an upcycle in its residential real estate sector.

Yageo Corp is Taiwan's leading supplier of passive components and the world's third largest provider. Passive components comprise of resistors, capacitors and inductors and are used by virtually all electronic products across various industries spanning consumer electronics, automotive, industrial, medical, aerospace and telecommunications. Yageo's management team have been executing successfully on its strategy to improve the quality of the business through astute and bold acquisitions in recent years. This has enabled Yageo to move away from commoditised products towards higher-end applications, such as automotive, and to improve the product mix structure. We view the clarity of strategy and strength of execution as key competitive strengths. We see its growth prospects as driven by more cross-selling and the structural growth of the industry, with demand for passive components rising in tandem with the need for higher computing power.

Outlook

After a challenging 2023, we are turning incrementally more positive in our outlook for Asian equities this year.

In China, sentiment has been far weaker than we would like, given that the fundamentals of our holdings are intact. There are still headwinds, especially in the property sector, while geopolitical risks linger. It is a positive that Beijing signalled its intent to support the economy at the recent key policymaking session in March, announcing a reasonably ambitious growth target of around 5% for 2024. We view China as oversold and we are seeing value in some quality stocks that have been indiscriminately sold off despite delivering on growth and earnings.

Meanwhile, we expect a lot more from India. Earnings growth is running at solid double digits. The direction of policy and reform looks set to continue with Prime Minister Narendra Modi likely to be re-elected for a third term in the upcoming national polls. India, too, is a market of 1.4 billion people, most of whom are below 35 years old. Such a rich demographic dividend will see an emerging middle class with rising affluence, alongside economic growth.

Investment Manager's Review

Continued

Whilst near-term valuation multiples appear full, the key to taking advantage of India's promise is careful stock picking and a long term mindset, which aligns well with how we invest.

Elsewhere, Southeast Asia is often overlooked as a rich source of quality companies. We continue to regard these countries as beneficiaries of shifting global supply chains with supportive government policies and favourable cost structures, and they also represent a large consumer market of about 700 million people.

In the Asian technology sector, our stock picks have been strong. As AI-related apps and chips start to proliferate, rising demand in terms of usage and complexity will boost the semiconductor and consumer electronics segments.

At the portfolio level, the combination with abrdn New Dawn has broadened the investment universe, which means that we are now able to invest in quality stocks that we had not been able to in the past. This potentially offers us further opportunities to generate alpha.

Taking all the above in aggregate, coupled with undemanding valuations of Asian equities compared to markets like the US, we see solid fundamental grounds for corporate earnings growth and stability to come through. This in turn should translate into resilient share price performance and returns over the medium term.

On a personal note, we are both delighted to be co-Managers of the Company. Having worked together on abrdn's Asian Equities team for over a decade, we know each other's working style extremely well and are aligned on how we view quality as the pillar of our investment philosophy. The occasional differences in our lines of thinking usually result in rigorous and insightful discussions that ultimately help us drive better outcomes. We are also fortunate to be well supported by a 40-strong team across the Asia Pacific, which allows us to harness first-hand research and insights generated by our colleagues.

Pruksa Iamthongthong and James Thom
abrdn (Asia) Limited
22 April 2024

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 Risk
- Operational Risk
- Governance and Regulatory Risk
- Major Events and Geo-Political Risk
- Shareholder and Stakeholder Risk

Details of these risks and a description of the mitigating actions which the Company has taken are provided in detail on pages 19 to 22 of the Annual Report.

In addition to these risks, there are also a 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 as well as the impact of conflict in the Middle East.

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 29 February 2024. 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 ending 31 August 2024.

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 two-year fixed rate loan and a two year revolving credit facility which both expire in July 2024. 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. The Board is exploring replacement options in advance of the expiry of the facilities and, should the Board decide not to renew the facilities, any outstanding borrowing would be repaid through the proceeds of equity sales as required.

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

abrdn Fund Managers Limited ("aFML") has been appointed as the Company's Alternative Investment Fund Manager ("AIFM").

aFML has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to abrdn Investments Limited and abrdn Asia Limited which are regarded as related parties under the FCA's Listing Rules. Details of the fees payable to aFML 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 FCA's Disclosure Guidance and Transparency Rules 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 29 February 2024; 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
22 April 2024

Ten Largest Investments

As at 29 February 2024

Taiwan Semiconductor Manufacturing Company

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. 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 we see great potential in its ability to balance its multiple revenue streams and monetise its social media and payment platforms whilst navigating the regulatory landscape.

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.

SBI Life Insurance

Among the leading Indian life insurers, SBI Life's competitive edge comes from a wide reach of SBI branches, highly productive agents, a low cost ratio and a reputable SBI brand.

HDFC Bank

HDFC Bank is known to have the best retail banking franchise in India, with a high quality wholesale portfolio, solid underwriting standards and a progressive digital stance further strengthening its competitive edge.

ASML

The Dutch company supplies lithography equipment that enables semiconductor chip makers to mass produce patterns on silicon, helping to make computer chips smaller, faster and greener. It earns most of its revenue from Asia.

ICICI Bank

India's ICICI Bank has been delivering superior growth and returns improvement without compromising on asset quality. It has leveraged on its scale as well as retail and digital franchise to grow in mortgages and also growing off a low base in business banking and SMEs.

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 assurance as well as its core banking activities.

Hong Kong Exchanges & Clearing

The exchange is a good conduit for investment into and out of China. Its long-term strategic plan to broaden the product offering and increase revenue opportunities makes sense and there should be continued improvements to come from technology in terms of driving innovation and greater efficiencies.

Investment Portfolio

At 29 February 2024

Company	Industry	Country	Valuation £'000	Total assets %
Taiwan Semiconductor Manufacturing Company	Semiconductors & Semiconductor Equipment	Taiwan	80,116	10.8
Samsung Electronics (Pref)	Technology Hardware, Storage & Peripherals	South Korea	62,819	8.5
Tencent	Interactive Media & Services	China	43,249	5.8
AIA	Insurance	Hong Kong	32,655	4.4
SBI Life Insurance	Insurance	India	16,859	2.3
HDFC Bank	Banks	India	16,609	2.2
ASML	Semiconductors & Semiconductor Equipment	Netherlands	15,388	2.1
ICICI Bank	Banks	India	15,200	2.0
Oversea-Chinese Banking Corporation	Banks	Singapore	14,748	2.0
Hong Kong Exchanges & Clearing	Capital Markets	Hong Kong	14,111	1.9
Top ten investments			**311,754**	**42.0**
Kweichow Moutai 'A'	Beverages	China	13,904	1.9
DBS	Banks	Singapore	13,540	1.8
Bank Central Asia	Banks	Indonesia	12,643	1.7
Woodside Energy	Oil, Gas & Consumable Fuels	Australia	12,400	1.7
Budweiser Brewing Co APAC	Beverages	Hong Kong	12,275	1.7
Power Grid Corp of India	Electric Utilities	India	12,208	1.6
Larsen and Toubro	Construction & Engineering	India	11,778	1.6
Samsung Biologics	Life Sciences Tools & Services	South Korea	11,522	1.6
Chroma ATE	Electronic Equipment, Instruments & Components	Taiwan	11,375	1.5
ASM International	Semiconductors & Semiconductor Equipment	Netherlands	11,340	1.5
Twenty largest investments			**434,739**	**58.6**
BHP Group	Metals & Mining	Australia	11,293	1.5
CSL	Biotechnology	Australia	11,153	1.5
Ultratech Cement	Construction Materials	India	11,140	1.5
Sands China	Hotels, Restaurants & Leisure	Hong Kong	10,849	1.5
Hindustan Unilever	Personal Care Products	India	9,782	1.3
ShenZhen Mindray Bio-Medical Electronics – A	Health Care Equipment & Supplies	China	9,674	1.3
Info Edge (India)	Interactive Media & Services	India	9,292	1.2

At 29 February 2024

Company	Industry	Country	Valuation £'000	Total assets %
FPT Corp	IT Services	Vietnam	9,052	1.2
abrdn New India Investment Trust[A]	Closed End Investments	India	8,924	1.2
Delta Electronics	Electronic Equipment, Instruments & Components	Taiwan	8,706	1.2
Thirty largest investments			**534,604**	**72.0**
PB Fintech	Insurance	India	7,919	1.1
Accton Technology	Semiconductors & Semiconductor Equipment	Taiwan	7,911	1.1
Bank of the Philippine Islands	Banks	Philippines	7,713	1.0
Yageo	Electronic Equipment, Instruments & Components	Taiwan	7,606	1.0
Bank Negara Indonesia	Banks	Indonesia	7,602	1.0
Nari Technology - A	Electrical Equipment	China	7,510	1.0
Tata Consultancy Services	IT Services	India	7,456	1.0
Alibaba Group Holding	Broadline Retail	China	7,301	1.0
Telekom Indonesia	Telecommunication Service Provider	Indonesia	7,197	1.0
HD Korea Shipbuilding & Offshore Engineering	Machinery	South Korea	7,112	1.0
Forty largest investments			**609,931**	**82.2**
Godrej Properties	Real Estate Management & Development	India	7,109	1.0
Bharti Airtel	Telecommunication Service Provider	India	6,980	0.9
Mobile World Investment Corporation	Specialty Retail	Vietnam	6,611	0.9
LG Chem	Chemicals	South Korea	6,539	0.9
China Resources Land	Real Estate Management & Development	China	6,357	0.9
Maruti Suzuki India	Automobiles	India	6,326	0.9
Contemporary Amperex Technology - A	Electrical Equipment	China	6,287	0.8
M.P. Evans Group	Food Products	United Kingdom	6,236	0.8
Yum China Holdings	Hotels, Restaurants & Leisure	China	6,199	0.8
China Tourism Group Duty Free Corp[B]	Speciality Retail	China	6,174	0.8
Fifty largest investments			**674,749**	**90.9**
Cochlear	Health Care Equipment & Supplies	Australia	6,012	0.8
Silergy Corp	Semiconductors & Semiconductor Equipment	Taiwan	5,722	0.8
Aier Eye Hospital Group - A	Health Care Providers & Services	China	5,635	0.8

Investment Portfolio

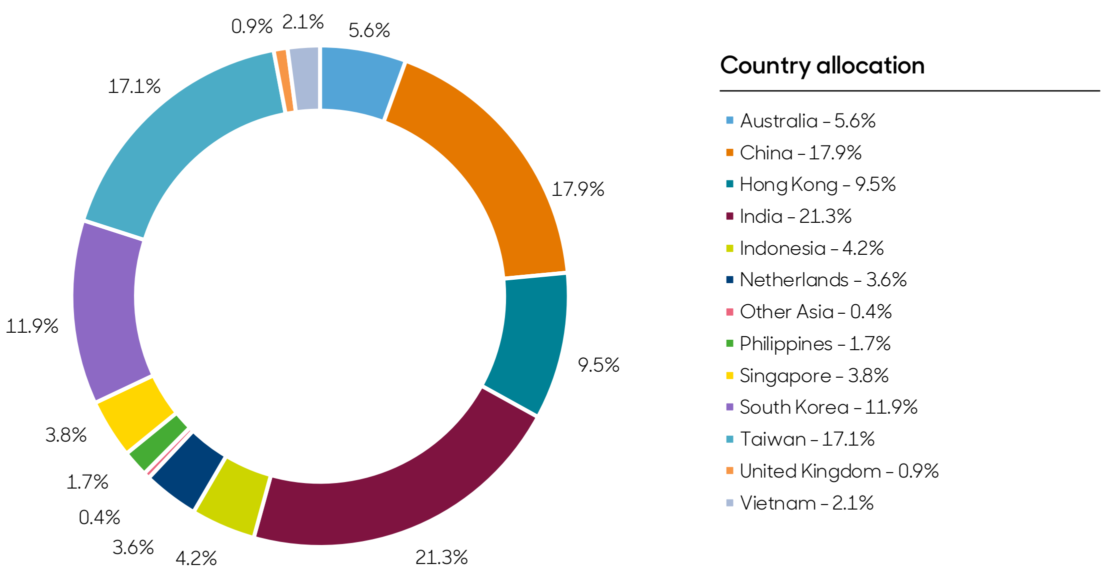
Continued

At 29 February 2024

Company	Industry	Country	Valuation £'000	Total assets %
Pidilite Industries	Chemicals	India	4,691	0.6
Andes Technology	Semiconductors & Semiconductor Equipment	Taiwan	4,615	0.6
Ayala Land	Real Estate Management & Development	Philippines	4,438	0.6
Fortis Healthcare	Health Care Providers & Services	India	4,389	0.6
Chacha Food - A	Food Products	China	4,190	0.6
Sungrow Power Supply Co - A	Electrical Equipment	China	4,113	0.6
Meituan-Dianping Class B	Hotels, Restaurants & Leisure	China	3,979	0.5
Sixty largest investments			**722,533**	**97.4**
Maxscend Microelectronics Company - A	Electronic Equipment, Instruments & Components	China	3,900	0.5
Cisarua Mountain Dairy	Food Products	Indonesia	3,760	0.5
Shenzhen Inovance Technology - A	Machinery	China	3,585	0.5
abrdn Asia Focus[A]	Closed End Investments	Other Asia	3,140	0.4
			736,918	**99.3**
Net current assets[C]			5,361	0.7
Total assets less current liabilities[C]			**742,279**	**100.0**

[A] Holding also managed by the abrdn Group but not subject to double charging of management fees.
[B] Holding includes investment in both 'A' and 'H' shares.
[C] Excluding bank loan of £59,521,000
Note: Unless otherwise stated, foreign stock is held and all investments are equity holdings.

Investment Portfolio by Country*



* calculated by reference to the applicable MSCI Index

Our Investment Manager's Case Studies

SBI Life Insurance

What does the company do?

Established in 2000 as a joint venture between Indian public lender, the State Bank of India, and French bank BNP Paribas' insurance arm, SBI Life is one of the largest private life insurers in India. The company has an extensive presence across the country, including in rural and semi-rural areas, comprising over 1,000 offices and a large network of more than 243,000 agents, 74 corporate agents, and 14 bancassurance partners.

Why do we like the investment?

We see SBI Life as a strong insurance play in Asia. With a lower average ticket size than peers and backed by a reputable Indian brand, its affordable premiums help to increase insurance access to those who would otherwise go without life protection. Supported by a strong balance sheet, a low cost base, a productive agency force and an extensive bancassurance distribution network, SBI Life is able to push into massive unpenetrated areas of the Indian insurance market. The company has a 27.3% private market share in individual new policies and a 21.3% share in new business premiums.

SBI Life's product mix is diverse and improving, with a focus to increase the share of higher-margin protection and annuity products. Productivity among agents is also getting better, with incentives given for the branches that are able to achieve the fixed number of policies and premiums to be sold for each segment. In addition, the attrition rate is below that of the average industry standard due to initiatives undertaken by the company, including handholding the agents and giving them the necessary training to succeed.

Overall, the sector is enjoying growth tailwinds from a low base due to Covid, which has increased awareness on the need for protection and insurance planning in India and improved digitisation in both agency and banca channels.

What is our key area of engagement?

We engaged SBI Life on the implementation and disclosure of a responsible investment framework and have spoken to the company about agent retention rates. In 2022, MSCI downgraded SBI Life's ESG rating from BB to B, with governance weighing on the headline rating the most. While there are certain issues that are out of the company's control, some of which are mandated by regulatory requirements, we impressed upon SBI Life the steps it can take in other areas to improve its score.

What is the result?

We are pleased to see that the company is adopting stewardship principles and has a process in place to analyse, engage, and exercise voting rights for the portfolio companies. SBI Life understands the importance of better disclosures. It is in the midst of working with various regulators to get a better sense of the requirements for the insurance industry and mapping Global Reporting Initiative (GRI) G4 framework to its business, which places the concept of materiality at the heart of sustainability reporting. In FY23, the company issued its first ESG report that was approved by the board, and in subsequent discussions, they have expressed intention to do more.

At the same time, we were pleased to hear that SBI Life is running a 50% lower turnover rate compared to the industry average due to the various initiatives they have undertaken, including training and proper incentivisation.

Yum China

Food for thought: Yum China is one of the largest restaurant operators in China, running the KFC, Pizza Hut, East Dawning and Little Sheep chains.

What does the company do?

Yum China is a pure-play Chinese consumer discretionary company. It is one of the largest restaurant operators in China, running the KFC, Pizza Hut, East Dawning and Little Sheep chains. From a single restaurant in 1987, Yum now operates over 14,000 restaurants in over 2,000 cities and towns spanning every province and autonomous region across mainland China.

Why do we like the investment?

We view Yum China as a solid consumer play. Its edge comes from branding, scale, consumer know-how and mastery of the digital channel. The restaurant industry is one with relatively low barriers to entry, but Yum have built a defensible moat that has yet to weaken with time.

Yum's efforts to accelerate store openings and improve returns through better capital efficiency suggest that this key competitive strength could be improving with scale. Its management is well seasoned and impressive and has executed well since the spin-out from Yum Brands in 2016.

The company's strong fundamentals stand out even more in the current times. Yum is still seeing decent underlying growth and generating strong cashflows and capital returns to shareholders despite the overarching weak consumer sentiment in China. Its free cash flow yield exceeds 4% and its share price is currently trading cheaply, at more than one standard deviation below its long-term average price-earnings multiple.

Yum has already announced shareholder returns of US$1.5 billion in 2024 (US$1.25 billion in share buybacks and US$250 million in dividends), which represents 8.7% of its current market cap, as the company sees good value in its own shares after the previous correction.

What is our key area of engagement?

We have engaged with Yum consistently through the years on areas of key material risks, including labour management, product safety and carbon footprint. Another area would be executive compensation, specifically with concerns over the magnitude of variable compensation relative to the fixed component, although we think management execution has been solid since the spin-out from Yum Brands.

What is the result?

The company takes a proactive approach to ESG engagement and have appointed consultants, with whom we have a reasonably active dialogue.

Food safety is a key material risk for Yum, which has adopted best practices such as supplier training and audits to pre-empt potential quality lapses in its supply chain. Related to this would be risks around packaging waste, with Yum's industry-leading initiatives including targets to reduce the use of packaging and increase the use of recyclable packaging materials.

In terms of the carbon footprint, the company has set clear targets for greenhouse gas reduction, with about a 65% reduction of Scopes 1, 2 & 3 emissions by 2035.

On labour management, female employees comprise more than 50% of its workforce. It is also impressive how store managers get medical insurance and start to get stock incentives in their first year on the job.

Given the above, Yum has seen its MSCI ESG rating move from BB in September 2020 to AA in July 2022. It has maintained the AA rating since.

Condensed Statement of Comprehensive Income (unaudited)

		Six months ended 29 February 2024			Six months ended 28 February 2023		
	Note	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) on investments		**–**	**12,907**	**12,907**	–	(44,882)	(44,882)
Net currency gains/(losses)		**–**	**375**	**375**	–	(855)	(855)
Income	2	**3,312**	**–**	**3,312**	3,218	–	3,218
Investment management fee	13	**(392)**	**(1,175)**	**(1,567)**	(500)	(1,501)	(2,001)
Administrative expenses		**(624)**	**–**	**(624)**	(562)	–	(562)
Net return/(loss) before finance costs and taxation		**2,296**	**12,107**	**14,403**	2,156	(47,238)	(45,082)
Interest payable and similar charges		**(307)**	**(920)**	**(1,227)**	(263)	(791)	(1,054)
Return/(loss) before taxation		**1,989**	**11,187**	**13,176**	1,893	(48,029)	(46,136)
Taxation	3	**(427)**	**(2,060)**	**(2,487)**	(369)	306	(63)
Return/(loss) after taxation		**1,562**	**9,127**	**10,689**	1,524	(47,723)	(46,199)
Return per Ordinary share (pence)	4	**1.08**	**6.30**	**7.38**	1.29	(40.27)	(38.98)

The total columns of this statement represent the profit and loss account of the Company.

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

The accompanying notes on pages 26 to 31 are an integral part of the condensed financial statements.

Condensed Statement of Financial Position (unaudited)

	Notes	As at 29 February 2024 £'000	As at 31 August 2023 £'000
Non-current assets			
Investments at fair value through profit or loss		**736,918**	509,219
Current assets			
Debtors and prepayments		**4,740**	3,114
Cash and cash equivalents		**7,757**	10,942
		12,497	14,056
Creditors: amounts falling due within one year			
Bank loan	10	**(59,521)**	(39,992)
Other creditors		**(7,136)**	(2,040)
		(66,657)	(42,032)
Net current liabilities		**(54,160)**	(27,976)
Creditors: amounts falling due after more than one year			
Deferred tax liability on Indian capital gains	3	**(3,926)**	(2,074)
		(3,926)	(2,074)
Net assets		**678,832**	479,169
Share capital and reserves			
Called-up share capital		**42,501**	31,922
Share premium account		**264,372**	60,416
Capital redemption reserve		**28,154**	28,154
Capital reserve	6	**308,544**	317,532
Revenue reserve		**35,261**	41,145
Total shareholders' funds		**678,832**	479,169
Net asset value per Ordinary share (pence)	7	**420.43**	421.26

The accompanying notes on pages 26 to 31 are an integral part of the condensed financial statements.

Condensed Statement of Changes in Equity (unaudited)

Six months ended 29 February 2024

	Note	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 September 2023		31,922	60,416	28,154	317,532	41,145	479,169
Return after taxation		–	–	–	9,127	1,562	10,689
Dividend paid	8	–	–	–	–	(7,446)	(7,446)
Buyback of ordinary shares for treasury		–	–	–	(18,115)	–	(18,115)
Issue of shares on combination	14	10,579	204,150	–	–	–	214,729
Cost of shares issued in respect of the combination		–	(194)	–	–	–	(194)
Balance at 29 February 2024		42,501	264,372	28,154	308,544	35,261	678,832

Six months ended 28 February 2023

		Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 September 2022		31,922	60,416	28,154	453,273	40,604	614,369
(Loss)/return after taxation		–	–	–	(47,723)	1,524	(46,199)
Dividend paid	8	–	–	–	–	(7,726)	(7,726)
Buyback of Ordinary shares for treasury		–	–	–	(10,490)	–	(10,490)
Balance at 28 February 2023		31,922	60,416	28,154	395,060	34,402	549,954

The accompanying notes on pages 26 to 31 are an integral part of the condensed financial statements.

Condensed Statement of Cash Flows (unaudited)

	Six months ended 29 February 2024 £'000	Six months ended 28 February 2023 £'000
Operating activities		
Net return before taxation	**13,176**	(46,136)
Adjustments for:		
(Gains)/losses on investments	**(12,907)**	44,882
Currency (gains)/losses	**(375)**	855
Increase in accrued dividend income	**(146)**	(4)
(Increase)/decrease in other debtors	**(8)**	857
Decrease in other creditors	**(220)**	(23)
Interest payable and similar charges	**1,227**	1,054
Overseas withholding tax	**(127)**	271
Cash from operations	**620**	1,756
Interest paid	**(1,153)**	(1,050)
Net cash (outflow)/inflow from operating activities	**(533)**	706
Investing activities		
Purchases of investments	**(187,428)**	(58,759)
Sales of investments	**112,443**	80,669
Capital gains tax on sales	**(208)**	(622)
Costs associated with the combination	**(800)**	–
Net cash (outflow)/inflow investing activities	**(75,993)**	21,288
Financing activities		
Equity dividends paid	**(7,446)**	(7,726)
Buyback of Ordinary shares	**(18,091)**	(10,550)
Net cash acquired and received following the combination	**79,172**	–
Cost of shares issued in respect of the combination	**(194)**	–
Drawdown/(repayment) of bank loans	**19,525**	(5,000)
Net cash from/(used in) financing activities	**72,966**	(23,276)
Decrease in cash and cash equivalents	**(3,560)**	(1,282)
Analysis of changes in cash and cash equivalents during the period		
Opening balance	**10,942**	5,094
Effect of exchange rate fluctuations on cash held	**375**	(855)
Decrease in cash and cash equivalents as above	**(3,560)**	(1,282)
Closing balance	**7,757**	2,957
Represented by:		
Money market funds	**1**	5
Cash and short term deposits	**7,756**	2,952
	7,757	2,957

Notes to the Financial Statements

As at 29 February 2024

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.

Significant estimates and judgements. The Directors do not believe that any accounting estimates or judgements have been applied to these financial statements that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities. However the Directors have made a judgement that the acquisition of assets and liabilities from abrdn New Dawn Investment Trust plc outlined in Note 14 does not meet the definition of a business combination under FRS 102 and accordingly have not accounted for it as such in these financial statements.

2. Income

	Six months ended 29 February 2024 £'000	Six months ended 28 February 2023 £'000
Income from investments		
Overseas dividend income	**3,052**	3,148
UK dividend income	**66**	–
	3,118	3,148
Other income		
Deposit interest	**159**	58
Interest from money market funds	**35**	12
	194	70
Total income	**3,312**	3,218

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 £427,000 of withholding tax was suffered in the six months to 29 February 2024 (28 February 2023 – £369,000). The Indian Capital Gains Tax accrual has increased by £1,852,000 (28 February 2023 – £928,000) since the year end with a balance outstanding at 29 February 2024 of £3,926,000 (28 February 2023 – £1,473,000).

4. Return per Ordinary share

	Six months ended 29 February 2024 p	Six months ended 28 February 2023 p
Basic		
Revenue return	**1.08**	1.29
Capital return	**6.30**	(40.27)
Total return	**7.38**	(38.98)

The figures above are based on the following:

	£'000	£'000
Revenue return	**1,562**	1,524
Capital return	**9,127**	(47,723)
Total return	**10,689**	(46,199)
Weighted average number of Ordinary shares in issue	**144,763,506**	118,509,837

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 29 February 2024 £'000	Six months ended 28 February 2023 £'000
Purchases[A]	**211**	78
Costs associated with the combination[B]	**816**	–
Sales[A]	**208**	162
	1,235	240

[A] Costs associated with the purchases and sale of portfolio investments in the normal course of the Company's business comprising stamp duty, financial transaction taxes and brokerage.
[B] Costs associated with the acquisition of assets from New Dawn, comprising £138,000 relating to stamp duty and financial transaction taxes and £678,000 relating to professional fees.

Notes to the Financial Statements

Continued

6. Capital reserves

The capital reserve reflected in the Condensed Statement of Financial Position at 29 February 2024 includes gains of £101,769,000 (31 August 2023 - £32,413,000) which relate to the revaluation of investments held at the reporting date.

7. Net asset value per share

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

	As at 29 February 2024	As at 31 August 2023
Net assets attributable (£'000)	**678,832**	479,169
Number of Ordinary shares in issue[A]	**161,460,656**	113,745,386
Net asset value per share (pence)	**420.43**	421.26

[A] Excluding shares held in treasury.

8. Dividends

	Six months ended 29 February 2024 £'000	Six months ended 28 February 2023 £'000
2022 final dividend - 6.5p	**-**	7,726
2023 final dividend - 6.6p	**7,446**	-
	7,446	7,726

There will be no interim dividend for the year to 31 August 2024 (2023 - 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 (i.e. developed using market data) for the asset or liability, either directly or indirectly.

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

All of the Company's investments are in quoted equities (31 August 2023 - 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 29 February 2024 of £736,918,000 (31 August 2023 - £509,219,000) has therefore been deemed as Level 1.

10. Bank loans

At 29 February 2024, the Company had a £35 million multicurrency facility with The Royal Bank of Scotland. This agreement was entered into on 29 July 2022 with a termination date of 29 July 2024. At the period end, HKD 341,900,000, equivalent to £34,525,000, of this facility had been drawn down at a rate of 5.5381% which matured on 14 March 2024. An option to draw down a further £15 million under an accordion facility was exercised after the period end. At the date of this Report the Company had drawn down HKD 485,900,000, equivalent to £49,888,000 at a rate of 5.30964%.

On 29 July 2022, the Company entered into a new fixed loan facility agreement of £25,000,000 at an interest rate of 3.5575% with The Royal Bank of Scotland International Limited, London Branch, with a termination date of 29 July 2024. The facility has been drawn down in full. The agreement of this facility incurred an arrangement fee of £18,140 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 £375 million.
- consolidated gross borrowings expressed as a percentage of adjusted portfolio value shall not exceed 25% at any time.
- the number of eligible investments shall not be less than 30 at any time.

All covenants have been complied with throughout the period.

11. Called-up share capital

In the six months to 29 February 2024, the Company bought back 5,180,400 (28 February 2023 – 2,485,204) Ordinary shares to be held in treasury, at a total cost of £18,115,000 (28 February 2023 – £10,490,000).

During the period 52,895,670 Ordinary shares were also issued in exchange for £214,729,000 of net assets from abrdn New Dawn Investment Trust plc (note 14).

At the end of the period there were 212,507,347 (28 February 2023 – 159,611,677) Ordinary shares in issue, of which 51,046,691 (28 February 2023 – 42,410,880) were held in treasury.

Since the period end a further 2,192,736 Ordinary shares of 20p each have been purchased by the Company at a total cost of £9,355,000 all of which were held in treasury.

Notes to the Financial Statements

Continued

12. Analysis of changes in net debt

	At 31 August 2023 £'000	Currency differences £'000	Cash flows £'000	Non-cash movements £'000	At 29 February 2024 £'000
Cash and short term deposits	**10,942**	**375**	**(3,560)**	**–**	**7,757**
Debt due within one year	**(39,992)**	**–**	**(19,525)**	**(4)**	**(59,521)**
	(29,050)	**375**	**(23,085)**	**(4)**	**(51,764)**

	At 31 August 2022 £'000	Currency differences £'000	Cash flows £'000	Non-cash movements £'000	At 28 February 2023 £'000
Cash and short term deposits	5,094	(855)	(1,282)	–	2,957
Debt due within one year	(35,000)	–	5,000	–	(30,000)
Debt due after one year	(24,983)	–	–	(4)	(24,987)
	(54,889)	(855)	3,718	(4)	(52,030)

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 in place with abrdn Fund Managers Limited ("aFML" or "Manager") for the provision of management and administration services, promotional activities and secretarial services.

For the period 1 September 2023 to 7 November 2023 the management fee has been calculated at 0.85% per annum of net assets up to £350 million and 0.50% per annum of net assets over this threshold. For the period 8 November 2023 to 7 May 2024, there is a management fee waiver in place as a result of the combination with New Dawn. For this period the fee will be calculated at 0.509449% of net assets up to £350 million and 0.339633% of net assets over this threshold. After this waiver period has ended the fee will be calculated at 0.75% per annum of net assets up to the value of £350 million and 0.50% per annuum of net assets over this threshold. For the period to 29 February 2024 the value of the management fee waiver was calculated to be £425,000. Management fees are calculated and payable on a quarterly basis, and are charged 75% to capital and 25% to revenue. During the period £1,567,000 (28 February 2023 – £2,001,000) of management fees were payable to the Manager, with a balance of £721,000 (28 February 2023 – £2,001,000) due to aFML at the period end. Should the Company terminate the management agreement within three years of the date of the combination with New Dawn, then the Company undertakes to repay all or a proportion of the management fees waived by the Manager based on the time elapsed since completion of the combination.

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 £1,000 (28 February 2023 – £5,000) invested in Aberdeen Standard Liquidity Fund (Lux) – Sterling Fund which is managed and administered by abrdn plc. The Company pays a management fee on the value of these holdings but no fee is chargeable at the underlying fund level. The Company also held investments in abrdn New India Investment Trust PLC of £8,924,000 (28 February 2023 – £nil) and abrdn Asia Focus of £3,140,000 (28 February 2023 – £nil) which are managed and administered by abrdn plc. The value of these holdings is excluded from the management fee calculation.

Promotional activities costs are based on current annual amount of £248,000 (28 February 2023 – £240,000), payable quarterly in arrears. During the period £123,000 (28 February 2023 – £116,000) of fees were payable, with a balance of £103,000 (28 February 2023 – £99,000) being due at the period end.

14. Transaction with abrdn New Dawn Investment Trust plc ("New Dawn")

On 8 November 2023, the Company announced that it had acquired £214,729,000 of net assets from New Dawn in consideration for the issue of 52,895,670 new Ordinary shares based on the respective formula asset values of the two entities on 2 November 2023.

Net assets acquired	**£'000**
Investments	135,557
Cash	79,172
Net assets	214,729
Satisfied by the value of new Ordinary shares issued	**214,729**

There were no fair value adjustments on completion of the combination made to the above figures.

15. 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.

16. 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 29 February 2024 and 28 February 2023 has not been audited. The Company's external auditor, PricewaterhouseCoopers LLP has not reviewed the financial information for the six months ended 29 February 2024.

The information for the year ended 31 August 2023 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.

17. This Half-Yearly Financial Report was approved by the Board on 22 April 2024.

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.

		29 February 2024	31 August 2023
NAV per Ordinary share (p)	a	**420.43**	421.26
Share price (p)	b	**353.00**	353.00
Discount	(a-b)/a	**16.0%**	16.2%

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.

		29 February 2024	31 August 2023
Borrowings (£'000)	a	**59,521**	39,992
Cash (£'000)	b	**7,757**	10,942
Amounts due to brokers (£'000)	c	**5,415**	–
Amounts due from brokers (£'000)	d	**3,205**	1,425
Shareholders' funds (£'000)	e	**678,832**	479,169
Net gearing	(a-b+c-d)/e	**8.0%**	5.8%

Ongoing charges

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 published daily net asset values with debt at fair value published throughout the year. The ratio for 29 February 2024 is based on forecast ongoing charges for the year ending 31 August 2024.

	29 February 2024[A]	29 February 2024[B]	31 August 2023
Investment management fees (£'000)	3,440	**4,119**	3,839
Administrative expenses (£'000)	1,231	**1,231**	1,056
Less: non-recurring charges[C] (£'000)	–	**–**	(7)
Ongoing charges (£'000)	4,671	**5,350**	4,888
Average net assets (£'000)	636,827	**636,827**	538,331
Ongoing charges ratio (excluding look-through costs)	0.73%	**0.84%**	0.91%
Look-through costs[D]	0.03%	**0.03%**	–
Ongoing charges ratio (including look-through costs)	0.76%	**0.87%**	0.91%

[A] Calculated including the investment management fee waiver agreed between the Company and the Manager following the combination with abrdn New Dawn Investment Trust PLC during the period (see note 13 for further details).
[B] Calculated on the assumption that the investment management fee waiver agreement between the Company and the Manager following the combination with abrdn New Dawn Investment Trust PLC during the period (see note 13 for further details) is excluded.
[C] Comprises legal and professional fees which are not expected to recur.
[D] Calculated in accordance with AIC guidance issued in October 2020 to include the Company's share of costs of holdings in investment companies on a look-through basis.

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 Benchmark Index, respectively.

Six months ended 29 February 2024		**NAV**	**Share Price**
Opening at 1 September 2023	a	**421.26p**	**353.00p**
Closing at 29 February 2024	b	**420.43p**	**353.00p**
Price movements	c=(b/a)-1	**-0.2%**	**0.0%**
Dividend reinvestment[A]	d	**1.7%**	**2.0%**
Total return	c+d	**+1.5%**	**+2.0%**

Year ended 31 August 2023		**NAV**	**Share Price**
Opening at 1 September 2022	a	513.32p	446.00p
Closing at 31 August 2023	b	421.26p	353.00p
Price movements	c=(b/a)-1	-17.9%	-20.9%
Dividend reinvestment[A]	d	1.2%	1.4%
Total return	c+d	-16.7%	-19.5%

[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

Keeping You Informed

For internet users, detailed data on the Company, including price, performance information and a monthly fact sheet is available from the Company's website (**asiadragontrust.co.uk**) and the TrustNet website (**trustnet.com**).

@abrdnTrusts

abrdn Investment Trusts

You can register for regular email updates by visiting **asiadragontrust.co.uk** or by activating the QR Code below using the camera on your smart phone:

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AIFMD

The Company has appointed abrdn Fund Managers Limited as its alternative investment fund manager and BNP Paribas Trust Corporation UK Limited as its depositary under the AIFMD. Details of the leverage and risk policies which the Company is required to have in place under AIFMD are published in the Company's PIDD which can be found on the website **asiadragontrust.co.uk**. The KID relating to the Company and published by the Manager can be found in the 'Literature Library' section of the Company's website.

Investor Warning

abrdn has been made aware that some investors may have received telephone calls from people purporting to work for abrdn, or third parties, who have offered to buy their investment trust shares. 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 an investor is required to release the supposed payment for their shares.

These callers do not work for abrdn and any third party making such offers has no link with abrdn. abrdn does not 'cold-call' investors in this way. If you have any doubt over the veracity of a caller, do not offer any personal information and end the call.

The Financial Conduct Authority provides advice with respect to share fraud and boiler room scams at: **fca.org.uk/consumers/scams.**

Shareholder Enquiries

In the event of queries regarding their holdings of shares, lost certificates dividend payments, registered details, etc shareholders holding their shares in the Company directly should contact the registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing West Sussex BN99 6DA Tel: 0371 384 2416 Lines open 8:30am to 5:30pm (UK time), Monday to Friday, (excluding public holidays in England and Wales). Calls may be recorded and monitored randomly for security and training purposes. Changes of address must be notified to the registrars in writing.

Any general enquiries about the Company should be directed to the Company Secretary, Asia Dragon Trust plc, 1 George Street, Edinburgh EH2 2LL or by email **CEF.CoSec@abrdn.com**.

How to invest in Asia Dragon Trust plc and other abrdn managed investment trusts

A range of leading investment platforms and share dealing services let you buy and sell abrdn-managed investment trusts including Asia Dragon Trust plc.

Many of these platforms operate on an 'execution-only' basis. This means they can carry out your instruction to buy or sell a particular investment trust. But they may not be able to advise on suitable investments for you. If you require advice, please speak to a qualified financial adviser (see overleaf).

A note about the abrdn Investment Trust Savings Plans (the 'Plans')

The abrdn Investment Trusts ISA, Share Plan and Investment Plan for Children that these Plans closed in December 2023. All investors with a holding or cash balance in the Plans at that date transferred to interactive investor ("ii"), ii communicated with planholders in late November 2023 to set up account security to ensure that investors would continue to access their holdings via ii following the closure of the Plans.

Please contact ii for any ongoing support with your ii account on 0345 646 1366, or +44 113 346 2309 if you are calling from outside the UK. Lines are open 8.00am to 5.00pm Monday to Friday. Alternatively, you can access the website at ii.co.uk/abrdn-welcome.

Platform Providers

Platforms featuring Asia Dragon Trust plc as well as other abrdn managed investment trusts include:

- interactive investor: **www.ii.co.uk/investment-trusts** (*an abrdn group company*)
- AJ Bell: **www.ajbell.co.uk/markets/investment-trusts**
- Barclays Smart Investor: **www.barclays.co.uk/smart-investor**
- Charles Stanley Direct: **www.charles-stanley-direct.co.uk**
- Fidelity: **www.fidelity.co.uk**
- Halifax: **www.halifax.co.uk/investing**
- Hargreaves Lansdown: **www.hl.co.uk/shares/investment-trusts**

The companies above are shown for illustrative purposes only. Other platform providers are available. The links above direct you to external websites operated by each platform provider. abrdn is not responsible for the content and information on these third-party sites.

Flexibility

Many investment platform providers will allow you to buy and hold abrdn Investment Trust shares within an Individual Savings Account (ISA), Junior ISA or Self Invested Personal Pension (SIPP), all of which have potential tax advantages. Most will also allow you to invest on both a lump sum and regular savings basis.

Costs and service

It is important to choose the right platform for your needs, so take time to research what each platform offers before you make your decision, as well as considering charges.

When it comes to charges, some platforms have flat fee structures while others levy percentage-based charges. Typically, you will also pay a fee every time you buy and sell shares, so you need to bear in mind these transaction costs if you are trading frequently. There may also be additional charges for ISA and SIPP investments.

Can I exercise my voting rights if I hold my shares through an investment platform?

Yes, you should be able to exercise your right to vote by contacting your platform provider. Procedures differ, but some platforms will automatically alert you when new statutory documents are available and then allow you to vote online. Others will require you to contact them to vote. Your chosen platform provider will provide further guidance. The Association of Investment Companies has provided information on how to vote investment company shares held on some of the major platforms. This information can be found at: **www.theaic.co.uk/how-to-vote-your-shares**.

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 and Financial Advice Association at **pimfa.co.uk**.

Independent 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 **at https://register.fca.org.uk/** or email: **register@fca.org.uk**

Getting advice

abrdn recommends that you seek financial advice prior to making an investment decision. If you do not currently have a financial adviser, details of authorised financial advisers in your area can be found at **www.pimfa.co.uk** or **www.unbiased.co.uk**. You will pay a fee for advisory services.

Investor Information

Continued

Suitable for Retail/NMPI Status

The Company's shares are intended for investors, primarily in the UK, including retail investors, professionally-advised private clients and institutional investors who are seeking exposure to companies in Asia, 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, and intends to continue to do so for the foreseeable future, in order that the shares issued by Asia Dragon Trust plc can be recommended by a financial adviser to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream pooled investments (NMPIs).

The Company's shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

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 information on pages 34 to 36 has been Issued by abrdn Investments Limited, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom. abrdn Investments Limited is entered on the Financial Services Register under registration number 121891

Contact Addresses

Directors
James Will (Chairman)
Gaynor Coley
Matthew Dobbs
Susan Sternglass Noble
Charlie Ricketts
Stephen Souchon *(appointed 8 November 2023)*
Donald Workman *(appointed 8 November 2023)*
Nicole Yuen *(appointed 8 November 2023)*

Manager, Investment Manager, Secretary and Registered Office

Alternative Investment Fund Manager*
abrdn Fund Managers Limited
(authorised and regulated by the Financial Conduct Authority)

280 Bishopsgate
London EC2M 4AG
(* appointed as required by EU Directive 2011/61/EU)

Investment Manager
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Depositary
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Auditor
PricewaterhouseCoopers LLP

Broker
Winterflood Securities
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2 Swan Lane
London EC4R 3GA

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).

Performance Related Conditional Tender Offer
At the AGM in 2021, shareholders voted in favour of the introduction of a performance-related conditional tender offer, which provides that, in the event that the NAV total return per share fails to equal or exceed the MSCI All Country Asia ex Japan Index (sterling adjusted) over a five year assessment period commencing 1 September 2021, the Board will put forward proposals to shareholders to undertake a tender offer. The size of any Conditional Tender Offer will be set by the Board up to a maximum of 25 per cent of the then issued share capital of the Company (up to 15% in respect of the first tender offer period to 31 August 2026). Any such tender offer will be at a price equal to 98 per cent of the then prevailing NAV per share (after deduction of the costs of implementing the tender offer). Any tender offer would be subject to the passing of the relevant continuation vote, and itself would require the approval of shareholders, and it is expected that any tender offer will be made within three months after the passing of such continuation vote.

Continuation Vote
The Company does not have a fixed life, but shareholders are given the opportunity to vote on the continuation of the Company at every fifth Annual General Meeting. The last continuation vote was passed at the AGM on 15 December 2021. The next continuation vote is due to take place at the AGM in December 2026.

Visit our Website
To find out more about Asia Dragon Trust plc and register for regular email updates please visit: **asiadragontrust.co.uk** or you can scan the QR code below, using the camera on your smart phone:

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For more information visit **asiadragontrust.co.uk**

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