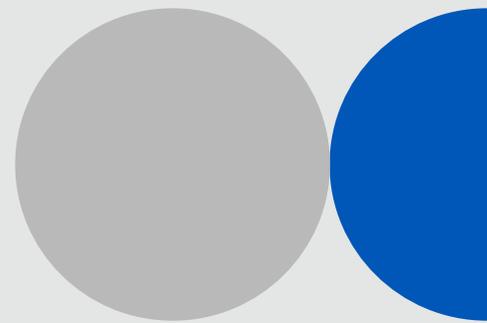


# Asia Dragon Trust plc

## Capturing growth from world-class Asian companies

Performance Data and Analytics to 31 December 2024



### Strategic review

Following the conclusion of the strategic review conducted by the Board, on 28 October 2024 the Company announced proposals for a combination with Invesco Asia Trust. On 18 December the Company published a Circular which can be found on the Company website. The first General Meeting of shareholders to approve the proposed combination will take place on 4 February 2025.

### Investment objective

The Company aims to achieve long-term capital growth principally through investment in companies in the Asia Pacific region, excluding Japan (the "Investment Region").

### Benchmark

MSCI AC Asia ex Japan Index. This benchmark excludes Japan, Australia, New Zealand and Sri Lanka.

### Cumulative performance (%)

	as at 31/12/24	1 month	3 months	6 months	1 year	3 years	5 years	Since 1/9/21 <sup>A</sup>
Share Price	424.0p	2.5	0.6	6.6	22.0	(11.7)	10.6	(11.6)
NAV <sup>B</sup>	469.4p	1.5	(0.7)	2.9	14.0	(10.6)	8.9	(12.3)
MSCI AC Asia ex Japan		1.7	(0.8)	3.3	14.5	4.3	22.2	0.4

### Discrete performance (%)

	31/12/24	31/12/23	31/12/22	31/12/21	31/12/20
Share Price	22.0	(12.6)	(17.2)	(3.0)	29.1
NAV <sup>B</sup>	14.0	(10.5)	(12.4)	(3.2)	25.9
MSCI AC Asia ex Japan	14.5	0.3	(9.2)	(3.6)	21.5

Total return; NAV cum income, with net income reinvested, GBP. Share price total return is on a mid-to-mid basis. Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value. Source: abrdn Investments Limited, Lipper and Morningstar.

Past performance is not a guide to future results.

<sup>A</sup>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.

<sup>B</sup>Including current year revenue.

© 2025 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to: <http://corporate.morningstar.com/us/documents/MethodologyDocuments/AnalystRatingforFundsMethodology.pdf> The Morningstar Analyst Rating for Funds is a forward-looking analysis of a fund. Morningstar has identified five key areas crucial to predicting the future success of a fund: People, Parent, Process, Performance, and Price. The pillars are used in determining the Morningstar Analyst Rating for a fund. Morningstar Analyst Ratings are assigned on a five-tier scale running from Gold to Negative. The top three ratings, Gold, Silver, and Bronze, all indicate that our analysts think highly of a fund; the difference between them corresponds to differences in the level of analyst conviction in a fund's ability to outperform its benchmark and peers through time, within the context of the level of risk taken over the long term. Neutral represents funds in which our analysts don't have a strong positive or negative conviction over the long term and Negative represents funds that possess at least one flaw that our analysts believe is likely to significantly hamper future performance over the long term. Long term is defined as a full market cycle or at least five years. Past performance of a security may or may not be sustained in future and is no indication of future performance. For detailed information about the Morningstar Analyst Rating for Funds, please visit <http://global.morningstar.com/managerdisclosures>.

### Morningstar Analyst Rating™



© Morningstar Analyst Rating™

Morningstar analysts assign the ratings globally on a five-tier scale with three positive ratings of Gold, Silver and Bronze.

### Morningstar Sustainability Rating™



### Morningstar Rating™



© Morningstar Rating™ for Funds

Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

### Ten largest equity holdings (%)

TSMC	Taiwan	13.8
Tencent	China	8.9
AIA	Hong Kong	4.2
Meituan	China	3.5
Samsung Electronics Pref.	Korea	3.4
Trip.Com Group	China	3.3
Contemporary Amperex Tech	China	2.5
ishares Core MSCI Asia ex Jpn ETF	Hong Kong	2.5
ICICI Bank	India	2.5
Bank Central Asia	Indonesia	2.3
<b>Total</b>		<b>46.9</b>

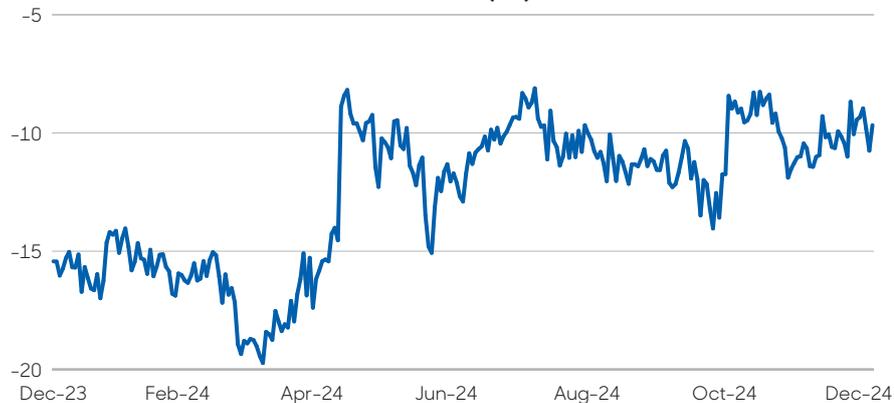
### Total number of investments 55

In advance of the General Meetings to be held in February 2025, shareholders should note that the portfolio will see significant change as the Manager is tasked with realigning the portfolio to enable the transfer of securities and cash to Invesco Asia Trust. The portfolio will be sold down with market exposure being maintained to an extent through relevant ETFs.

All sources (unless indicated): abrdn: 31 December 2024.



## 1 Year Premium/Discount Chart (%)



## Fund managers' report

### Market and portfolio review

Asia ex Japan equities rose in sterling terms in December, outperforming most other regions which were impacted by cautious investor sentiment in the run-up to US President-elect Donald Trump's inauguration on 20 January and the potential impact of tariff policies. Sentiment was also dampened by the US Federal Reserve's more hawkish stance for 2025 despite delivering a 25bps cut. The Fed indicated that interest rates are likely to be 'higher for longer', driven by renewed inflation concerns. Rate cut expectations were dialled back to two cuts next year, down from four in September.

Taiwan led the region in gains, buoyed by a good showing from tech supply names. Delta Electronics was a position we had added in recent months. We thought that the market was undervaluing the company's structural growth from the upgrading of data centres driven by rapid AI development and the need for cloud computing. This was based on Delta's market leadership in the power supply business, given the power supply would need to be upgraded with each subsequent iteration of more powerful chips and servers. Accton Technology was another AI beneficiary, given its exposure to datacentre switches and AI accelerators.

Chinese equities rebounded on the back of onshore buying and a strong information technology sector, with the country's equity market posting its first annual gain in three years. That said, December proved volatile for the Chinese market due to anticipation around the Central Economic Working Conference (CEWC) and the government's policy and stimulus plans. During both the December politburo and CEWC, the government reiterated its pro-growth stance, shifting monetary policy from prudent to moderately easing, prioritising consumption in 2025 over high-tech manufacturing, and maintaining the call for property market stabilisation. Among our holdings, China Merchants Bank, Tencent and Trip.com performed well. In corporate news, Meituan published solid results, driven mainly by strong food delivery profitability. While there could be a moderation in food delivery growth, company fundamentals remain

### Fund managers' report continues overleaf

<sup>c</sup> Represents the individual country returns calculated using the MSCI Index Series (£). Market change is total return in GBP.  
<sup>d</sup> Expressed as a percentage of average daily net assets for the year ended 31 August 2024. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.

## Country allocation (%)

	Trust	Regional Index	Month's market change <sup>c</sup>
China	25.6	31.4	4.2
India	23.2	21.9	(1.4)
Taiwan	21.2	22.2	5.9
Korea	8.2	10.2	(5.9)
Hong Kong	4.2	4.7	1.0
Indonesia	3.0	1.7	(1.9)
USA	2.9	-	-
Singapore	2.1	4.0	0.3
Thailand	2.1	1.6	(0.5)
Vietnam	1.8	-	-
Australia	1.6	-	-
United Kingdom	0.4	-	-
Philippines	0.4	0.6	1.0
Malaysia	-	1.7	4.3
Cash	3.4	-	-
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	

Source: abrdn Investments Limited and MSCI. Figures may not add up to 100 due to rounding.

## Fund risk statistics

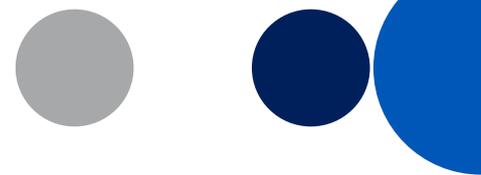
	3 Years	5 Years
Annualised Standard Deviation of Fund	14.95	15.22
Beta	0.94	0.99
Sharpe Ratio	(0.40)	0.03
Annualised Tracking Error	3.04	3.63
Annualised Information Ratio	(1.23)	(0.36)
R-Squared	0.96	0.94

Source: abrdn & Factset.  
 Basis: Total Return, Gross of Fees, GBP.  
 Please note that risk analytics figures are calculated on gross returns whereas the performance figures are based on net asset value (NAV) returns.

## Key information

### Calendar

Year end	31 August
Accounts published	November
Annual General Meeting	December
Dividend paid	December
Launch date	1987
Fund managers	James Thom, Pruksa lamthongthong
Ongoing charges <sup>d</sup>	0.75%
Annual management fee	0.75% on net assets up to £350m; 0.5% on net assets above £350m
Premium/(Discount) with debt at fair value	(9.7)%
Yield <sup>e</sup>	1.6%



## Fund managers' report – continued

robust. Meituan's investment in Keeta may lead to a loss in the near term but could create good return and growth upside in the long run. Contemporary Amperex Technology was considering a Hong Kong listing, with the aim to raise at least US\$5 billion (£4 billion). The secondary listing could happen as early as the first half of 2025, subject to changes in plans and regulatory approval. The company also entered a joint venture with Stellantis to construct a new Lithium Iron Phosphate (LFP) battery plant in Spain.

South Korea was the main laggard over the month amid political turmoil and a weak currency. Australian equities also fell to a larger degree than their peers as they tracked the sell-off in US equities, as well as sticky inflation, which prompted the Reserve Bank of Australia to leave interest rates unchanged.

In terms of ESG engagement, we discussed BHP's recently published 2024 Climate Transition Action Plan (CTAP) report and gave our feedback on abrdn's voting position on Say on Climate votes ahead of the 2024 Annual General Meeting. Furthermore, we exchanged our views on BHP's capital expenditure towards decarbonisation, pathway routes to decarbonising its downstream emissions, integrity of the use of renewable energy certificates versus power purchase agreements, and the use of carbon offsets.

In trading activity, we initiated a position in Coforge. Indian-based Coforge is a mid-sized, niche IT services company with deep domain expertise in three industry verticals – banking and financial services, insurance, and travel, transport and hospitality – where it has the capability and track record of going head-to-head against Tier-1 competitors.

Conversely, we exited ASM International, Cholamandalam Investment and Finance, Global Health, Kweichow Moutai, Sumber Alfaria Trijaya (Alfamart) and Yageo Corporation in view of better opportunities elsewhere.

### Outlook

Sentiment appears volatile around Asia over the short term, given the looming inauguration of Donald Trump as US President and what that might mean in terms of tariff risks, especially for China. The implications of Trump 2.0 for the broader region are complex. Trump is likely to drive uncertainty and volatility, which could create opportunities for long-term investors. Higher tariffs and trade barriers are expected, hurting China and prompting aggressive domestic growth efforts. Export markets may face pressure from higher tariffs and limited US rate cuts. Geopolitical tensions remain challenging, with potential shifts in Asia if Trump follows his first-term playbook. This period of change and volatility will affect multiple fronts. However, Asia's diversity means the entire region should not be painted with a broad brush. Economies like India, driven largely by domestic factors, may benefit from supply diversification away from China, which also benefits the ASEAN region. Intra-regional trade remains strong, and Asia lacks the macro imbalances seen in the West, ensuring resilience and growth. Quality companies should remain well-positioned.

<sup>E</sup> Calculated using the Company's historic net dividends and month end share price.

<sup>F</sup> Net gearing is defined as a percentage, with net debt (total debt less cash/cash equivalents) divided by shareholders' funds.

<sup>G</sup> The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the benchmark index holdings.

<sup>H</sup> Includes current year revenue.

**The risks outlined overleaf relating to gearing, exchange rate movements and emerging markets are particularly relevant to this trust but should be read in conjunction with all warnings and comments made. Important information overleaf**

### Key information continued

Net cash/(gearing) with debt at par <sup>F</sup>	(6.4)%
Active share <sup>G</sup>	65.4%

### AIFMD Leverage Limits

Gross Notional	2.5x
Commitment	2x

### Assets/Debt (£m)

Gross <sup>H</sup>	807.6
Debt	74.3
Cash & cash equivalents	27.7

### Capital structure

Ordinary shares	156,225,283
Treasury shares	56,282,064

### Allocation of management fees and finance costs

Capital	75%
Revenue	25%

### Trading details

Reuters/Epic/Bloomberg code	DGN
ISIN code	GB0002945029
Sedol code	0294502
Stockbrokers	WINS Investment Trusts
Market makers	SETSm



### Factsheet

Receive the factsheet by email as soon as it is available by registering at [www.abrdn.com/trustupdates](http://www.abrdn.com/trustupdates) [www.abrdn.com/DGN](http://www.abrdn.com/DGN)



### Contact

**Private investors**  
trusts@abrdn.com

### Institutional Investors

InvestmentTrustInvestorRelations-UK@abrdn.com

### Ben Heatley

Head of Closed End Fund Sales  
Ben.Heatley@abrdn.com

# Asia Dragon Trust plc

## Statement of Operating Expenses

Publication date: 19 December 2024

Recurring Operating Expenses (£000s)	Year ending 31 Aug 2024	% of NAV	Year ending 31 Aug 2023	% of NAV	% Change (YOY)
Management Fee (inc AIFM)	3,505	0.54%	3,839	0.71%	-8.7%
Custody fees	317	0.05%	219	0.04%	44.7%
Promotional activities	252	0.04%	240	0.04%	5.0%
Directors remuneration	228	0.04%	180	0.03%	26.7%
Depository fees	63	0.01%	53	0.01%	0.0%
Auditors' remuneration	54	0.01%	45	0.01%	20.0%
Other administrative expenses	270	0.04%	312	0.06%	-13.5%
Ongoing Operating Expenses (ex indirect fund management expenses)	4,689	0.72%	4,888	0.91%	-4.1%
Expenses relating to investments in other collective investments		0.03%		0.00%	
Ongoing Operating Expenses (inc indirect fund management expenses)	4,689	0.75%	4,888	0.91%	-4.1%
Average Net Asset Value	650,028		538,331		20.7%
<b>Operating Expense Ratio (ex indirect fund management expenses)</b>	<b>0.72%</b>		<b>0.91%</b>		
<b>Operating Expense Ratio (inc indirect fund management expenses)</b>	<b>0.75%</b>		<b>0.91%</b>		

Transaction costs and other one-off expenses (£000s)	Year ending 31 Aug 2024	% of NAV	Year ending 31 Aug 2023	% of NAV	% Change (YOY)
Transaction costs	974	0.15%	466	0.09%	109.0%
Performance fees		0.00%		0.00%	
Other non-recurring expenses	-	0.00%	7	0.00%	-100.0%
<b>Total</b>	<b>974</b>	<b>0.15%</b>	<b>473</b>	<b>0.09%</b>	<b>105.9%</b>

## Current Service Providers

AIFM	abrdr Fund Managers Limited
Investment Manager	abrdr Asia Limited
Company Secretary	abrdr Holdings Limited
Fund Accounting Services	BNP Paribas Fund Services UK Limited
Auditor	PricewaterhouseCoopers LLP
Depository & Custodian	BNP Paribas S.A. London Branch
Registrar	Equitini Limited
Corporate Broker	Winterflood Securities Limited

## Summary of Current Key Commercial Arrangements

The Company has appointed abrdr Fund Managers Limited (aFML), a wholly owned subsidiary of abrdr plc, as its alternative investment fund manager. By way of group delegation agreements within the abrdr Group the management of the Company's investment portfolio is delegated to abrdr Asia Limited, and administrative and secretarial services to abrdr Holdings Limited, promotional activities to abrdr Investments Limited, and fund accounting services to BNP Paribas Fund Services UK Limited. [please can you review these proposed changes].

Details of the management agreement, including the notice period, are shown in note 4 to the financial statements in the Annual Report.

No performance fee.

Fee scale	% of NAV
£0-£350m	0.75%
>£350m	0.50%

Directors fee rates (£)	Year ending 31 Aug 2024	Year ending 31 Aug 2023	% Change (YOY)
Chair	45,000	45,000	0.0%
Chair of Audit & Risk Committee	37,750	37,750	0.0%
Senior Independent Director	33,600	32,000	5.0%
Director	32,000	32,000	0.0%
Number of Directors	8	5	

## Important Information

The Statement of Operating Expenses is designed to help investors understand the impact of operating expenses on financial performance.

Operating expenses are NOT deducted from the value of an investor's shareholding, which is derived from the share price.

The market value (share price) of all publicly traded companies reflects a wide range of factors, including the estimated impact of operating expenses on future financial performance.

The market value of an investment trust may diverge materially, both positively and negatively, from the reported net asset value.

## Important information

### Risk factors you should consider prior to investing:

- The value of investments, and the income from them, can go down as well as up and investors may get back less than the amount invested.
- Past performance is not a guide to future results.
- Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years.
- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- Movements in exchange rates will impact on both the level of income received and the capital value of your investment.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- The Company invests in emerging markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.

### Other important information:

An investment trust should be considered only as part of a balanced portfolio. The information contained in this document should not be considered as an offer, solicitation or investment recommendation to deal in the shares of any securities or financial instruments. It is not intended for distribution or use by any person or entity who is a citizen or resident of or located in any jurisdiction where such distribution, publication or use would be prohibited. Nothing herein constitutes investment, legal, tax or other advice and is not to be relied upon in making an investment or other decision. No recommendation is made, positive or otherwise, regarding individual securities mentioned. This is not an invitation to subscribe for shares and is by way of information only. Investment should only be following a review of the current Key Information Document (KID) and pre-investment disclosure document (PIDD) both of which are available on [www.investortrusts.co.uk](http://www.investortrusts.co.uk). Any data contained herein which is attributed to a third party ("Third Party Data") is the property of (a) third party supplier(s) (the "Owner") and is licensed for use by [abrdn](http://abrdn.com)\*. Third Party Data may not be copied or distributed. Third Party Data is provided "as is" and is not warranted to be accurate, complete or timely. To the extent permitted by applicable law, none of the Owner, [abrdn](http://abrdn.com)\* or any other third party (including any third party involved in providing and/or compiling Third Party Data) shall have any liability for Third Party Data or for any use made of Third Party Data. Neither the Owner nor any other third party sponsors, endorses or promotes the fund or product to which Third Party Data relates. \* [abrdn](http://abrdn.com) means the relevant member of [abrdn](http://abrdn.com) group, being [abrdn](http://abrdn.com) plc together with its subsidiaries, subsidiary undertakings and associated companies (whether direct or indirect) from time to time.

The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis, should not be taken as an indication or guarantee of any future performance analysis forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI" Parties) expressly disclaims all warranties (including without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages ([www.msci.com](http://www.msci.com)).

Issued by [abrdn](http://abrdn.com) Fund Managers Limited, registered in England and Wales (740118) at 280 Bishopsgate, London, EC2M 4AG, authorised and regulated by the Financial Conduct Authority in the UK.

For more information visit [abrdn.com/trusts](http://abrdn.com/trusts)