

# Invesco Asia Dragon Trust plc

(formerly Invesco Asia Trust plc)



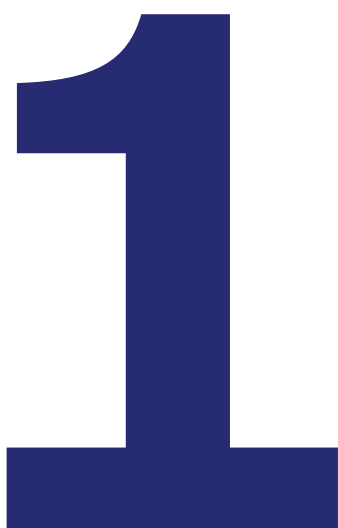
ASIA PACIFIC EQUITIES  
Invesco Asia Trust plc



# Investment Objective

The Company's objective is to provide long-term capital growth and income by investing in a diversified portfolio of Asian and Australasian companies. The Company aims to achieve growth in its net asset value ('NAV') total return in excess of the Benchmark Index, the MSCI AC Asia ex Japan Index (total return, net of withholding tax, in sterling terms).

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# The Company in Brief

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## Nature of the Company

Invesco Asia Dragon Trust plc (the 'Company'), formerly known as Invesco Asia Trust plc, is a public listed Investment Company whose shares are traded on the London Stock Exchange (with ticker "IAD"). The business of the Company is to invest shareholders' funds with the aim of spreading investment risk and generating sustainable and long term returns for shareholders. The Company's purpose is to provide shareholders with long-term capital growth and income by investing in a diversified portfolio of Asian and Australasian companies.

Further information can be accessed via the Manager's website at <https://www.invesco.com/uk/en/investment-trusts/invesco-asia-dragon-trust.html>.

## Combination with Asia Dragon Trust plc ('DGN')

During the year the Company acquired substantially all of the net assets of Asia Dragon Trust plc ('DGN') as part of a combination with DGN, and following approval by shareholders at a general meeting of the Company on 16 January 2025 was implemented on 14 February 2025. Subsequently, the Company's name was changed to Invesco Asia Dragon Trust plc, on 17 February 2025.

The combination was undertaken through a scheme of reconstruction and winding-up of DGN under section 110 of the Insolvency Act 1986. As a result approximately £544 million of assets were acquired in exchange for the issue of new ordinary shares in the Company.

Further commentary on the benefits of the combination can be found in the Chairman's Statement and the Business Review.

## Investment Policy

The Company's Investment Policy, which includes objectives, policies, risks and investment limits for the Company is disclosed in full on page 24.

## Borrowings and Gearing

The Company may use bank borrowings, the proceeds from which can be invested, gearing up exposure to stock markets with the aim of enhancing returns to shareholders.

## Dividend Policy

Following implementation of the combination, the Company introduced a new Dividend Policy. Under the policy the Company will increase the frequency of dividend payments from a biannual to a quarterly basis at a rate of approximately 1% of the NAV. A further update occurred on 1 May 2025 when the date was set at the last business day of April for the NAV by reference to which the four quarterly payments of 1% would be calculated, commencing on 30 April 2025.

## Benchmark

The MSCI AC Asia ex Japan Index (total return, net of withholding tax, in sterling terms).

## Capital Structure

In connection with the combination, 142,619,864 new ordinary shares of 10p were issued and admitted to trading on the London Stock Exchange on 14 February 2025. As at 30 April 2025, the Company's issued share capital consisted of 204,853,151 ordinary shares of 10p each, with a further 12,766,594 shares held in treasury.

## Business Model

The Company has contracted with an external investment manager, Invesco Fund Managers Limited (the 'Manager'), to manage its investments and for the Company's general administration. Other administrative functions are contracted to external service providers. The Company has a Board of non-executive directors who oversee and monitor the activities of the Manager and other service providers on behalf of shareholders and ensure the Company's objective and investment policy is adhered to.

**The Company's shares are eligible for investment in an ISA and qualify to be considered as mainstream investment products suitable for promotion to retail investors.**

Total dividend for the year of 15.60p.  
Dividend yield<sup>(2)</sup> of 4.9% at 30 April 2025 share price.



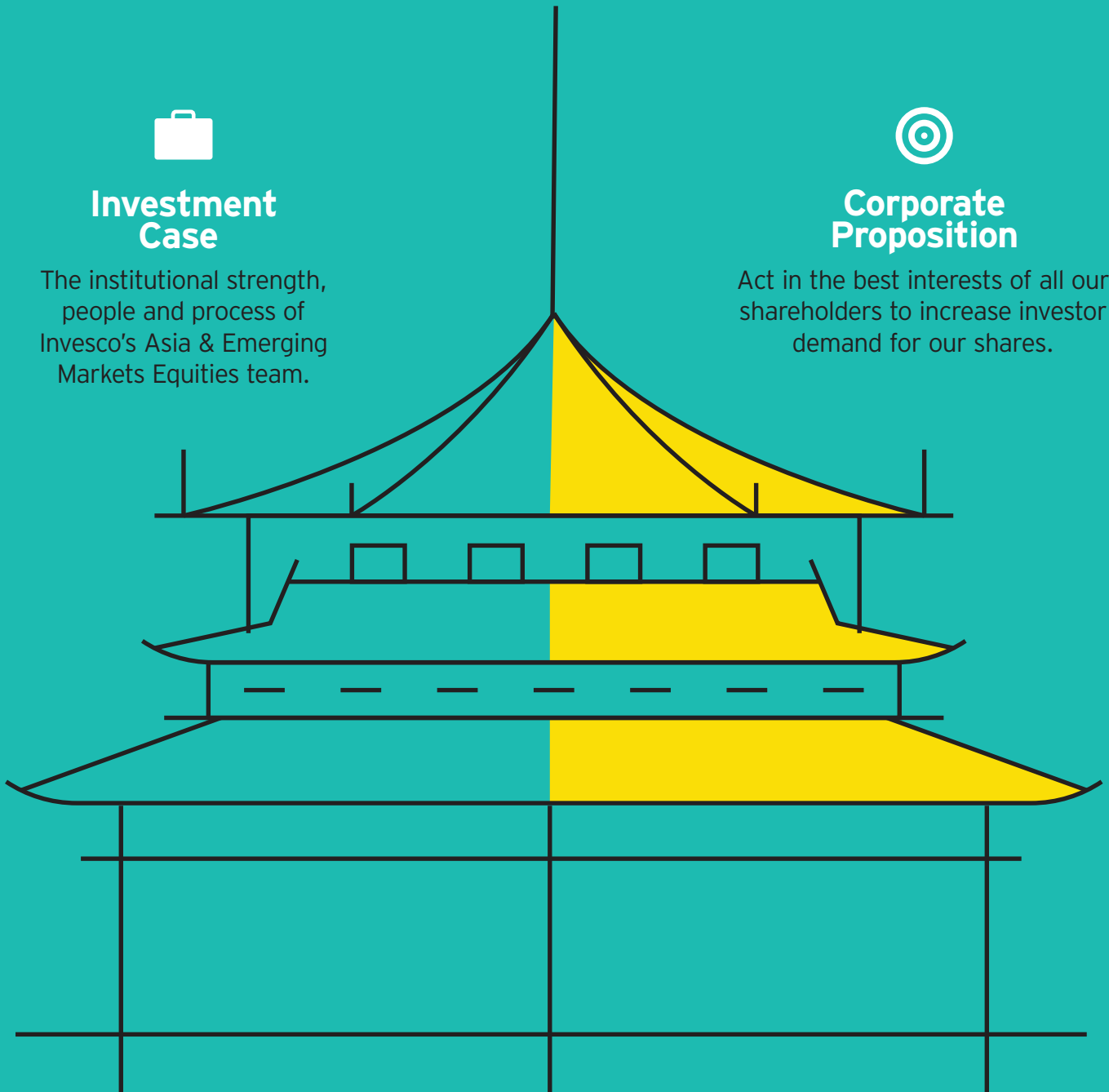
### Investment Case

The institutional strength, people and process of Invesco's Asia & Emerging Markets Equities team.



### Corporate Proposition

Act in the best interests of all our shareholders to increase investor demand for our shares.



**7.1%**

Share price total return<sup>(1)(2)</sup>



**2.8%**

NAV total return<sup>(1)(2)</sup>



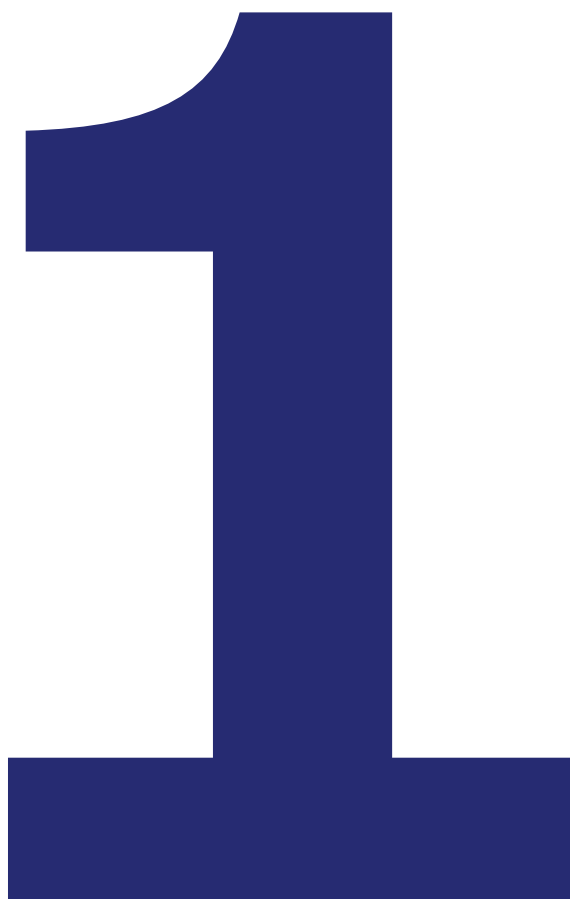
**3.9%**

Benchmark index<sup>(1)(3)</sup>

<sup>(1)</sup> For the year ended 30 April 2025.

<sup>(2)</sup> Alternative Performance Measure as detailed on pages 87 and 88.

<sup>(3)</sup> MSCI AC Asia ex Japan Index (total return, net of withholding tax, in sterling terms).



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## Strategy

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# Financial Information and Performance Statistics

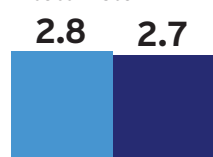
The benchmark index of the Company is the MSCI AC Asia ex Japan Index (total return, net of withholding tax, in sterling terms)

## Total Return Statistics<sup>(1)</sup> with dividends reinvested

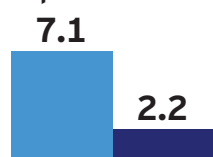
Change for the year (%)

● 2025  
● 2024

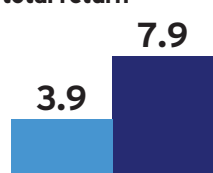
### Net asset value ('NAV') total return<sup>(3)</sup>



### Share price total return<sup>(3)</sup>



### Benchmark index total return<sup>(4)</sup>



## Capital Statistics

At 30 April	2025	2024	% change
Net assets (£'000) <sup>(2)</sup>	729,912	238,266	+206.3
NAV per share	356.31p	361.51p	-1.4
Share price <sup>(1)</sup>	320.00p	313.00p	+2.2
Benchmark index (capital)	1,005.56	989.35	+1.6
Discount <sup>(3)</sup> per ordinary share:	(10.2)%	(13.4)%	
Average discount over the year <sup>(1)(3)</sup>	(11.2)%	(11.3)%	
Gearing <sup>(3)</sup> :			
- gross	6.0%	5.3%	
- net	5.7%	4.5%	

## Revenue Statistics

Year Ended 30 April	2025	2024	% change
Income (£'000) <sup>(2)</sup>	12,683	7,375	+72.0
Net revenue available for ordinary shares (£'000) <sup>(2)</sup>	10,040	5,422	+85.2
Revenue return per ordinary share	10.67p	8.12p	+31.4
Dividends per share <sup>(5)</sup> :			
- first interim	7.80p	7.20p	
- second interim	3.90p	6.90p	
- third interim	3.90p	-	
Total dividends	15.60p	14.10p	+10.6
Ongoing charges ratio <sup>(3)(6)</sup>	0.73%	1.03%	

(1) Source: LSEG Data & Analytics.

(2) Increase during the year ended 30 April 2025 includes the impact of assets acquired following the combination with Asia Dragon Trust plc in February 2025.

(3) Alternative Performance Measure ('APM'). See Glossary of Terms and Alternative Performance Measures on pages 87 and 88 of the financial report for details of the explanation and reconciliations of APMs.

(4) Index returns are shown on a total return basis, with dividends reinvested net of withholding taxes.

(5) Until January 2025, the Company's dividend policy was to pay, in absence of unforeseen circumstances, 4% of the Company's NAV in two equal instalments of 2% based on the NAV at last business day of September. This policy was updated in January 2025 to increase the frequency of dividend payments from a biannual to a quarterly basis at a rate of approximately 1% of the NAV. A further update occurred on 1 May 2025 when the date was set at the last business day of April for the NAV by reference to which the four quarterly payments of 1% would be calculated, commencing on 30 April 2025.

(6) Year ended 30 April 2025 includes the effect of the management fee waiver agreed between the Company and the Manager following the combination with Asia Dragon Trust plc during the year (see note 3 on page 69 for further details).

## Ten Year Historical Record

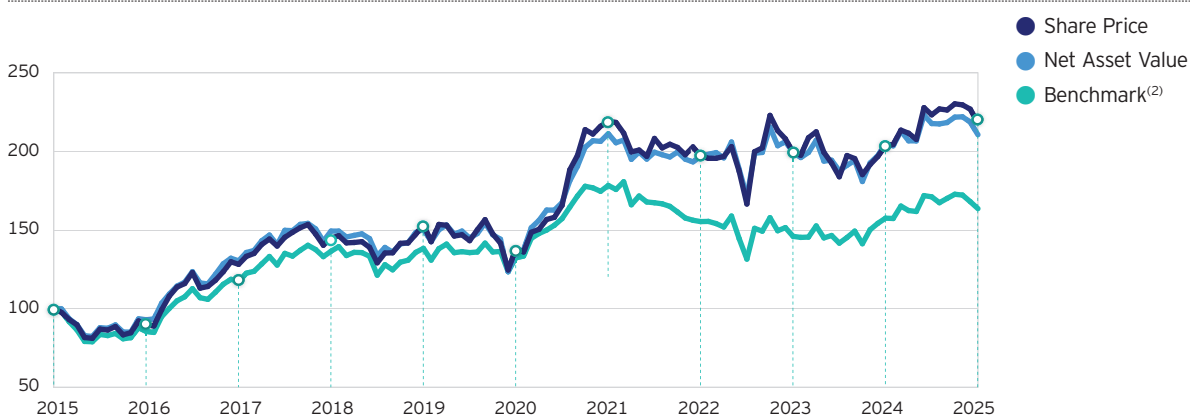
Year to 30 April	Income £'000	Net revenue available for ordinary shares £'000	Dividends on ordinary shares		Net assets £'000	Net asset value per ordinary share p	Share price p
			Rate p	Amount £'000			
2016	4,256	2,978	3.65	3,093	180,108	210.75	183.00
2017	5,464	3,978	4.30	3,587	243,025	291.30	257.00
2018	6,055 <sup>(1)</sup>	4,447 <sup>(1)</sup>	5.50	3,900 <sup>(1)</sup>	233,252 <sup>(1)</sup>	328.92	286.00
2019	5,440	3,927	5.70	4,014	227,375	322.71	294.00
2020	7,120	5,354	7.00	4,770	186,948	279.64	254.00
2021	5,600	3,863	15.10	10,095	281,252	420.70	386.00
2022	6,228	4,469	15.30	10,229	252,176	377.21	332.50
2023	7,601	5,596	14.80	9,894	245,004	366.48	321.00
2024	7,375	5,422	14.10	9,387	238,266	361.51	313.00
<b>2025</b>	<b>12,683<sup>(2)</sup></b>	<b>10,040<sup>(2)</sup></b>	<b>15.60p</b>	<b>15,580<sup>(2)</sup></b>	<b>729,912<sup>(2)</sup></b>	<b>356.31</b>	<b>320.00</b>

(1) The 15% tender offer in August 2017 is reflected in the decrease in the net assets at the year end and consequently had an impact on income and net revenue available for ordinary shares.

(2) Increase during the year to 30 April 2025 includes the impact of assets acquired following the combination with Asia Dragon Trust plc in February 2025.

## Ten Year Total Return Performance<sup>(1)</sup>

Rebased to 100 at 30 April 2015



## Total Return in Sterling Terms to 30 April<sup>(1)(2)</sup>

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Three years	Five years	Ten years
Net Asset Value %	-7.1	40.4	14.5	0.8	-10.2	56.4	-6.7	1.3	2.7	2.8	6.9	56.0	110.7
Share Price %	-10.3	42.9	13.0	6.0	-10.0	58.5	-10.0	1.2	2.2	7.1	10.7	57.9	118.2
Benchmark <sup>(2)</sup> %	-14.5	37.1	16.5	1.3	-4.3	34.8	-12.9	-6.0	7.9	3.9	5.3	23.7	63.6

## Annualised Total Return in Sterling Terms to 30 April<sup>(1)(2)</sup>

	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10 years
Net Asset Value %	2.8	2.8	2.2	-0.1	9.3	5.8	5.0	6.2	9.5	7.7
Share Price %	7.1	4.6	3.4	-0.1	9.6	6.0	6.0	6.9	10.4	8.1
Benchmark <sup>(2)</sup> %	3.9	5.9	1.7	-2.1	4.3	2.8	2.6	4.3	7.5	5.0

(1) Source: LSEG Data & Analytics.

(2) The benchmark index of the Company is the MSCI AC Asia ex Japan Index (total return, net of withholding tax, in sterling terms).



# Chairman's Statement

## Highlights

- Transformed by the successful combination with Asia Dragon, Invesco Asia Dragon with a NAV of £730 million is now the largest trust in the AIC Asia excluding-Japan Income sector.
- NAV total return performance slightly ahead of benchmark over 6 months, slightly behind over 1 year, still strong over longer time periods.
- Share price total return ahead of index over 1 year as the discount narrowed.
- The Investment Case for Asia and for Invesco Asia Dragon is strong. Our Corporate Proposition now includes a rolling 3-year 100% unconditional tender and a 4% dividend yield paid quarterly at a rate equal to approximately 1% of NAV. Together, these provide a unique opportunity to invest in Asia's future.

First of all, a very warm welcome to all our new shareholders, most of whom will have previously been shareholders of Asia Dragon Trust plc. A lot of hard work on both sides went into the combination and we are pleased to report that all went smoothly and that feedback in the marketplace has been very positive. Thank you to all of you who voted in favour to allow the deal to proceed. The expected benefits are now being delivered: The Company's expanded size has enabled those wealth managers who had us on their buy list to begin increasing their positions since they are no longer constrained by our small size. At £730 million of net assets the Company also met the threshold of joining the FTSE 250 Index. The new tiered management fee rates (see note 3 on page 69) should result in a blended management fee payable to Invesco of around 0.60% per annum once Invesco's fee waiver upon the merger works its way through by November. Future ongoing charges (OCR) are expected to annualise at around 0.77%, a considerable improvement on Invesco Asia's previous OCR of 1.03% and lower than Asia Dragon's 0.83% (excluding management fee waivers). The discount has settled around 10% since the merger, not helped by the volatility caused by President Trump's imposition of tariffs. We have already moved to quarterly dividends, with a dividend equal to approximately 1% of NAV payable in July 2025, and three further dividends of approximately 1% of NAV planned for October 2025 and January and April 2026.

NAV total return performance over the year to 30 April 2025 of +2.8% was slightly behind the Index total return of +3.9%. Share price total return outperformed at +7.1% as the discount narrowed. Fiona and Ian discuss performance in more detail in their Managers' Report. There were a few variables but the overweight position in

Indonesia explains the difference versus the index. We should acknowledge that it was a difficult year to be able to beat the index: despite underperforming the index over the year, we ranked second out of the five funds in our AIC Asia Pacific Equity Income excluding Japan sector and beat all of the seven funds in the other AIC Asia ex-Japan sectors.

Longer term performance remains excellent with very good performance over 3, 5 and 10 years especially when risk-adjusted. Adjusting the performance generated by the amount of risk taken was one of the key parameters assessed by Asia Dragon's board before choosing Invesco Asia. This has been recognised in the industry through us winning the Citywire Winners award at the publication's Investment Trust Awards 2023 for best risk-adjusted performance for the Asia Pacific Equities Sector. We were also awarded the "Kepler Income & Growth Rating 2024" by Kepler Partners and an A-rating by Square Mile Investment Consulting & Research.

We announced in our December 2024 Circular that we would temporarily enlarge the board to eight members upon the combination, with four members from each board. It is planned that James Will and I will both step down at the September 2026 AGM, following which the Board will continue with six members. The new Chair will be agreed and announced in 2026.

Shareholders will know that we believe the discount is determined by a combination of demand for Asian equity investment vehicles, the Investment Case for Invesco Asia Dragon Trust and the Corporate Proposition that we offer. In order to stimulate more demand for the Company's shares, we aim to provide a strong investment case and a strong corporate proposition at the same time.

### Annualised Total Return in Sterling Terms to 30 April 2025<sup>(1)(2)</sup>

	1 year	3 years	5 years	10 years
Net Asset Value % <sup>(3)</sup>	2.8	2.2	9.3	7.7
Share Price % <sup>(3)</sup>	7.1	3.4	9.6	8.1
Benchmark %	3.9	1.7	4.3	5.0

(1) Source: LSEG Data & Analytics.

(2) The benchmark index of the Company is the MSCI AC Asia ex Japan Index (total return, net of withholding tax, in sterling terms).

(3) Alternative Performance Measure ('APM'). See Glossary of Terms and Alternative Performance Measures on pages 87 and 88 of the financial report for details of the explanation and reconciliations of APMs.

## The Investment Case

The investment case rests on accessing the attractions of Asian equity markets through the institutional expertise of Fiona Yang and Ian Hargreaves' team at Invesco. The team is unchanged and strong. Their investment process can be summarised as "valuation not value" and has been very successful with institutional clients such as pension funds and sovereign wealth investors. In times like these of great change, we would argue that this forward-looking active approach (as opposed to a backward-looking index or passive style) is exactly what is needed. The team have delivered very strong relative performance for shareholders over 3, 5 and 10 years, as shown in the table on the previous page. Like many professional consultants and shareholders we, as fully independent directors, look for talented stock pickers, a robust process and consistent outperformance in our investment manager. We believe we have all three in Fiona, Ian and the team at Invesco.

## The Corporate Proposition

The Board has continued to review and adopt measures intended to create additional demand for the Company's shares, both from existing and new shareholders, and to reduce the discount. We have been careful to ensure that the measures chosen are in the best interests of all shareholders. The intention is that the gains from each will combine to make the corporate proposition as compelling as the investment case.

There are multiple elements to our Corporate Proposition, including:

1. **Enhanced dividend policy:** The Board introduced a new enhanced dividend policy in 2020 which aimed to pay in two instalments, in the absence of unforeseen circumstances, a regular dividend equal to approximately 4.0% of the Company's NAV. At the time of the combination with Asia Dragon we changed the frequency to be 1% quarterly. The distribution policy as a whole is put to shareholders at each AGM. This year 15.6p was paid in three interim dividends in November 2024 and January and April 2025.

Please note that the policy of paying out approximately 4.0% of NAV may not lead to dividend payments increasing every year.

2. **100% Unconditional Tender:** Unconditional tender offers will be introduced every three years for up to 100% of the issued share capital at a 4.0% discount to the prevailing NAV (debt at fair value, cum income). The first one will be in early 2028. Unconditional tender offers provide the Board with a strong discount management tool which should constitute an effective and attractive initiative for shareholders and potential new investors alike, unlocking the ability to buy and hold shares with the certainty that the size of their shareholding can be adjusted periodically thereafter, regardless of relative performance or share rating.
3. **Minimising Ongoing Charges Rate (OCR) and Fees:** Fair and accurate cost disclosure for investment trust companies has again been making headlines over the past year. As a Board we believe that all costs and charges should be clearly disclosed but also that it is important to remember that these costs are the ordinary costs of doing business and that they are already deducted in the net asset value by which we judge performance against our index benchmark.

The Board is responsible for managing the level of charges to shareholders. Our intention is to seek to reduce gradually the level of ongoing charges over time. The ongoing charges level as stated at our year-end is distorted by the effects of the combination and the contribution by Invesco towards the cost of the transaction. Invesco Asia's OCR to 30 April 2024 was 1.03%, Asia Dragon's to 31 August 2024 was 0.83% (excluding management fee waiver). Once the Invesco contribution ceases we expect, at current asset levels, the

annualised OCR level is expected to be around 0.77%. The main component of this is the investment management fee paid to Invesco. The investment management fee is 0.75% on the first £125 million of the Net Asset Value, 0.60% on the amount above £125 million and up to £450 million of the Net Asset Value and 0.50% on the Net Asset Value in excess of £450 million.

Other components within the ongoing charges calculation include company secretarial, external auditor, directors' fees, custody fees and miscellaneous others. Outside the ongoing charges calculation are the costs of gearing and transaction charges, the incidental costs of buying and selling shares within the portfolio. Both of these have always been included within the net asset value calculation.

4. **Buyback Authority:** The Board retains its stated average discount target of less than 10% of NAV calculated on a cum-income basis over the Company's financial year, although the Directors are cognisant of the fact that the Company's share rating at any particular time will reflect market conditions and a combination of various factors, a number of which are beyond the Board's control. Share buybacks will occur where and when we consider (in conjunction with our broker) that such buybacks will be effective, taking into account market factors and the discounts of comparable funds. Over the year we have bought back 1,377,000 shares into Treasury pre-combination with Asia Dragon Trust, representing 2.1% of the starting number of shares in issue. Post combination 2,298,000 shares have been bought back into Treasury, representing 1.1% of the initial post-combination number of shares in issue. Discounts across the whole investment trust sector, not just Asian trusts, remain elevated. We believe that, in general, Boards should be more proactive in their discount management policies. We certainly intend to continue to play our part.
5. **Environmental, Social and Governance Matters (ESG):** The Board recognises the importance of ESG considerations in delivering value to shareholders and our approach and that of the Manager is explained in detail later in this report. We continue to monitor closely developments in this space and, noting the growing public discourse on climate change, we have asked the Manager to highlight examples of holdings in companies that are helping facilitate the journey towards Net Zero Alignment ('NZA'). The Manager has the resources to assess the risks and opportunities which may result from accelerating ESG-driven change. Their Global ESG function, based in Henley, provides input into the research process and provides a formal ESG oversight process including meetings with the Portfolio Managers and analysts to review the portfolio from an ESG perspective. The Manager is a signatory of the Financial Reporting Council's Stewardship Code and is an active member of the UK Sustainable Investment and Finance Association. In addition, the Manager scored four stars for its Investment & Stewardship Policy under new scoring methodology produced by PRI. This followed five consecutive years of achieving an A+ rating for responsible investment (Strategy & Governance) under the previous methodology. In 2019 the MSCI upgraded the Manager's ESG rating from BBB to A and as a signatory and discloser to the Carbon Disclosure Project it supports enhanced, market-wide environmental disclosure and reports annually on its climate change management and performance, including comprehensive emissions accounting.

As well as monitoring at each board meeting the Manager's assessment of ESG considerations on individual stock decisions, the Board looks at various indicators of overall ESG progress. We do not expect every indicator to travel in the favoured direction in every period: the portfolio will change as will the measurements. Some factors will have their priorities reassessed over time, for example products with a

military use may now be assessed more favourably in light of the changing geopolitical environment. Despite this, we should be able to see progress for many indicators over longer time periods. Some examples: In the year just ended the Manager engaged with 48 of the 57 portfolio holdings, voting against specific resolutions for 28 of them. The Manager met a total of 454 companies over the year, engaging with ESG issues on 280 of them. A year ago, the Company held 24 companies that had not yet set a net zero target date. Now that number is down to 20. That is due in part to active engagement with these companies by Invesco.

6. **Access to Invesco Expertise:** Fiona Yang and Ian Hargreaves successfully manage over £3.5 billion of institutional assets. Invesco Asia Dragon is the only vehicle available to UK retail investors who wish to access their track record. They manage it with a high degree of commonality to their institutional portfolios but also add the best smaller company opportunities.
7. **Engaging more individual shareholders:** We are encouraged that an increasing proportion of our shareholders are individuals, with the proportion of investors who hold shares of Invesco Asia Dragon Trust plc via execution-only platforms once again increasing. The Board aims to engage more directly with individual investors. Working closely with the Manager, we continue to raise the profile of the Company through new direct investor information, commentary and events, which will provide access to the thoughts and views of Fiona and Ian, their team and the Directors. These activities complement the ongoing engagement with a broad range of professional investors. Please visit our homepage [www.invesco.co.uk/invescoasia](http://www.invesco.co.uk/invescoasia) where you can also find presentations, read updates or register to receive regular email updates or printed copies of the Half-Yearly and Annual Financial Reports. You can also see third party research (by Kepler Partners) and monthly factsheets on the Company's website. Shareholders can also contact us by email at [investmenttrusts@invesco.com](mailto:investmenttrusts@invesco.com).
8. **Meeting the Directors and Managers:** One of the main attractions of owning an investment trust over a unit trust or OEIC is that all shareholders have the opportunity of meeting the Directors and the Managers every year at the AGM. This year's meeting will be held in person at Invesco's London office at 12 noon on 18 September 2025. As well as the Company's formal business, there will be a presentation from Fiona, the opportunity to ask questions to Fiona, Ian and the Directors and then to chat informally with all of us afterwards over lunch. Shareholders may bring a guest to these meetings. For me this is one of the highlights of being Chairman, I look forward to meeting as many of you as possible. For those unable to make it in person, we will produce a special version of the presentation and post it onto our website after the AGM. Shareholders wishing to lodge questions in advance of the AGM should do so by email to the Company Secretary at [investmenttrusts@invesco.com](mailto:investmenttrusts@invesco.com) or, by letter, to 60 London Wall, London, EC2M 5TQ.
9. **Gearing:** The Company intends to use gearing (or borrowings) actively to take advantage of its closed-end structure. At the year end the Company had net gearing of 5.7%.
10. **Directors' Shareholdings:** Institutional investors often follow and ask for information on Directors' holdings of shares in the Company. These are shown in the Directors' Remuneration Report in the Annual Financial Report and we are required to notify any changes to the stock market by regulatory announcement. Additionally, our Portfolio Managers, Fiona and Ian are both shareholders in the Company and we can confirm that their remuneration by the Manager is partly determined by the performance of the Company.

## Cancellation of share premium account

As noted previously, on 13 February 2025, the Company announced the completion of its combination with Asia Dragon Trust plc ('DGN') pursuant to which the Company acquired approximately £544 million of assets from DGN in consideration for the issue of 142,619,864 new ordinary shares of 10p each in the capital of the Company. The issue of these new ordinary shares, at a premium to their nominal value, created a share premium account in the Company's balance sheet of £530,091,000.

The Company's share premium account is a non-distributable reserve and the Company is therefore unable to use it either for making purchases of its own shares or for making distributions to shareholders, including the payment of dividends. As at 30 April 2025, the Company had distributable reserves of £172,435,000.

Accordingly, in order to enhance the Company's distributable reserves position, the Company is seeking shareholder approval at the AGM to cancel the Company's share premium account. If approved by shareholders, and subsequently by the Court, this will result in an increase of the Company's distributable reserves and thereby provide greater flexibility to the Company in the future to make purchases of its shares and other distributions to shareholders, including the payment of dividends.

Please refer to the Directors' Report on pages 39 to 42 for further detail.

## Update

Since 30 April 2025, the NAV total return has been +11.8%, underperforming the index return of +12.0%. The share price has returned 12.2% with the discount narrowing to 10.0%.

## Outlook

After a prolonged period of uncertainty was capped off in spectacular fashion by President Trump's tariff announcements, it is now possible to say that the worst appears to be behind us. Tariff levels now appear to be clearer and many companies will be able to work around them. Further sector by sector trade deals are likely to emerge. It was always the case that China would wait to see what the US would do before using up all of their firepower to reflate their domestic property market and consumer sector. The tariffs and trade uncertainty will cause economic slowdowns this year but the scene is now set for recovery from 2026. Domestic consumption growth in Asia combined with currency appreciation would be a powerful combination. With a starting point of attractive valuations, especially by comparison to world markets, and in the knowledge that foreign investors have historically low Asian weightings, the conditions for a new bull market are nearly all in place. Invesco Asia Dragon offers investors a yield of 4.5% based on the share price and a discount to NAV of 10.0%, both at the time of writing. We offer an attractive investment case and a strong corporate proposition just at the time Asia might be hitting the sweet spot.

**Neil Rogan**  
Chairman

16 July 2025





### Portfolio Manager

Fiona Yang is the lead Co-Portfolio Manager of Invesco Asia Dragon Trust plc (formerly Invesco Asia Trust plc) from 1 May 2024 following her appointment as Co-Portfolio Manager in January 2022. She is a member of the Henley-based Asian & Emerging Markets Equities team, currently based in Singapore. Fiona started her career with Goldman Sachs in July 2012 and became a member of their Asian Equity sales team as a China product specialist. She joined Invesco in August 2017. Fiona is also the fund manager on the Invesco Asian Equity Income Fund (UK) and provides stock and sector research covering the wider Asia ex-Japan region with a focus on China H and A share markets.



### Portfolio Manager

Ian Hargreaves is the Co-Portfolio Manager of Invesco Asia Dragon Trust plc (formerly Invesco Asia Trust plc) and Co-Head of the Asian & Emerging Markets Equities team at Invesco which manages pan-Asian portfolios and covers the entire Asian region. He has led this team as Co-Head since 2018. He started his investment career with Invesco Asia Pacific in Hong Kong in 1994 as an investment analyst where he was responsible for coverage of Indonesia, South Korea and the Indian sub-continent, as well as managing several regional institutional client accounts. Ian returned to the UK to join Invesco's Asian Equities team in 2005, working on the portfolio as part of the investment team. He was appointed as joint Portfolio Manager in 2011 and became the sole Portfolio Manager on 1 January 2015, up until the appointment of Fiona Yang as Co-Portfolio Manager in January 2022. Ian swapped roles with Fiona effective 1 May 2024 and they continue to work very closely together on the Company's portfolio.

# Portfolio Managers' Report Q&A

**Q** How has the Company performed in the year under review?

**A** The Company's net asset value grew by 2.8% (total return, in sterling terms) over the twelve months to 30 April 2025, which compares to the benchmark MSCI AC Asia ex Japan index total return of 3.9%.

The performance narrative for the period was broadly positive, with Asian equity markets enjoying positive momentum for most of the period, supported by the start of a global rate easing cycle, attractive starting valuations and robust corporate earnings.

However, it has not been plain sailing, with Asian markets weakening initially in response to the US election result, before a China-led rebound to start the year on the back of signs of improvement in fundamentals and some excitement related to progress in AI and robotics. Then came 'Liberation Day', larger than expected 'reciprocal' tariffs and a period of heightened volatility for global financial markets, and although there has been a de-escalation on tariffs, investors continue to face significant uncertainty in the direction of US policy under the current administration.

Against this backdrop, the portfolio delivered a positive return, albeit behind

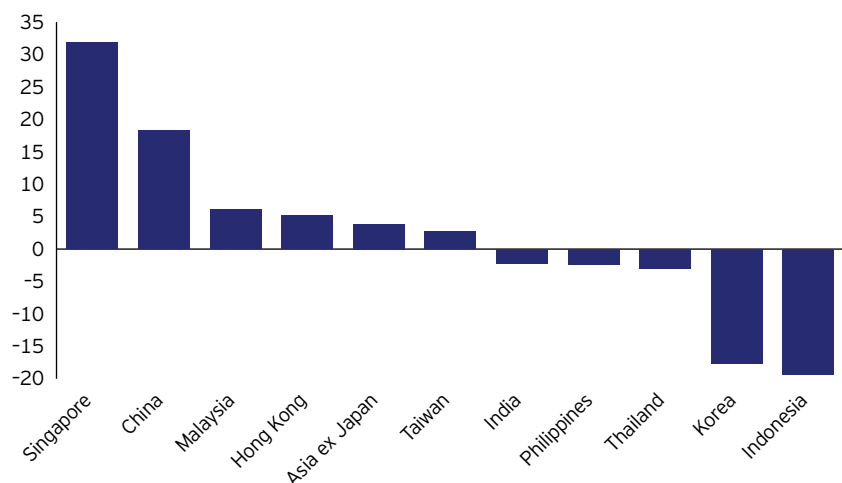
that of the benchmark index. Strong stock selection across different countries and sectors has helped compensate for the impact of being overweight the two worst performing markets in Asia, with Korea and Indonesia both impacted by domestic political headwinds. Meanwhile, a change in market leadership meant the portfolio's tilts towards Singapore, Hong Kong and China have contributed positively to relative performance, as have underweight positions in India and Taiwan. Our approach continues to be guided by valuations, with a focus on stock picking, balance sheet strength, and maintaining a well-diversified portfolio, rather than trying to lean too heavily on specific macro outcomes.

**Q** What have been the biggest contributors to relative performance?

**A** Chinese and ASEAN internet companies, and banks from across South Asia. **Tencent** was the biggest single contributor, supported by a strong set of earnings results that demonstrated the benefits of deploying gen-AI tools in both its gaming and online advertising businesses. Online game developer **NetEase** and digital freight company **Full Truck Alliance** also made significant contributions, with growing market confidence that they can sustain steady growth. ASEAN internet companies delivered very strong returns,

### Asian performance by country

Past 12 months to 30 April 2025, total returns (US\$, %)



**Past performance does not predict future returns.**  
Source: Invesco, LSEG, price returns in US\$ as at 30 April 2025.

with **Grab** following **Sea** on a clear pathway towards profitability, with the two companies offering attractive exposure to the region's most attractive consumer internet verticals (gaming, e-commerce, fintech, ride hailing and food delivery). Chinese noodle and beverage manufacturer **Tingyi** also added value, benefitting from improved profitability and a downward adjustment in the market risk premium for Chinese stocks.

In financials, **Kasikornbank** enjoyed a share price re-rating as asset quality concerns eased and the market started to focus on the prospect of this well capitalised Thai bank paying higher dividends. Indian private banks added value, particularly **HDFC Bank** on the back of better-than-expected earnings, while **United Overseas Bank** in Singapore also outperformed.

**Q** And detractors?

**A** **Samsung Electronics** was the biggest single detractor. As we noted in our last report, the market was swift to de-rate the shares last year amidst concerns over operational issues at its semiconductor business, but the shares have since found support, albeit close to trough valuation levels below book value. It is still unclear how or when these problems will be resolved, but the market is pricing in no near-term resolution, which suggests to us a degree of asymmetry in the balance of risk and reward. Its other businesses are performing reasonably well, and the company is using its very strong balance sheet to buy back shares equivalent to 10 trillion won (£5.7 billion) which represents 3.1% of its total market capitalisation.

Meanwhile, **LG Chemical** has faced ongoing challenges in its chemical business and a slowdown in EV battery demand, at the same time as capital expenditure has remained high, which has impacted profitability. A slowdown in India's economy impacted **Delhivery's** supply chain solutions segment, a key revenue contributor. **Anglo American** ended the period lower after its board rejected BHP's takeover offer, with restructuring plans underway that we expect to unlock shareholder value.

Indonesian stocks were generally weak, particularly cement manufacturer **Semen Indonesia**, **Telkom Indonesia** and **PT Bank Negara Indonesia Persero**. Finally, IT services company **EPAM Systems** de-rated as expectations grew that macro uncertainty would delay a recovery in discretionary IT spending, although this is more than reflected in the price, in our view.

**Q** How are you dealing with US tariffs and current levels of uncertainty?

**A** Trump's partial climbdown on tariffs has settled markets, but uncertainty remains high given the lack of visibility and the erratic nature of policy making under the current US administration. Tariffs remain in place higher than pre Trump but at lower levels than first announced. While there has been some downward revision to earnings expectations, there is scope for further adjustment and a need to factor in a higher risk premium given reduced visibility, particularly in more cyclical sectors.

We have been very focussed on fundamentals, and speaking to our portfolio companies to get their perspectives and better understand how tariffs may impact their business strategy and future earnings. No changes were made to the portfolio, which overall has only limited exposure to exporters. Many of the businesses that we invest in generate most of their earnings domestically and have the benefit of a strong balance sheet. At times like this, one is reminded of the benefit of having a portfolio (ex-financials) that enjoys a net cash position in aggregate.

Whatever happens next, tariffs are a lose-lose proposition, but Asian companies have been managing this risk for several years now and intra-Asian emerging markets trade has been increasing despite global trade stagnating. Good companies have been able to find other markets to export to. Some companies may even benefit if it means less competition from weaker players, and they are better at reorganising their supply chains.

**Q** Have you any specific examples of how companies have been affected?

**A** **MINTH** is probably the best example, a Chinese auto parts manufacturer in what was already a tough industry. However, the company is well positioned and could be a relative winner. It has already built local manufacturing capability in the US and Europe, and its battery housing business (the largest part of the orderbook) puts it on the right side of the EV transition. **MINTH's** biggest vulnerability is 25% revenue exposure to foreign joint venture brands in China that are rapidly losing market share. We feel the earnings uncertainty is already more than reflected in the valuation, which appears attractive at a forward price-earnings ratio of around 8x.

**Q** India appears to have less tariff sensitivity, are you considering reducing your underweight position?

**A** That's the obvious trade. Markets like India and Indonesia export much less to the US compared to other countries, with economies that also have strong structural growth potential. The Indian equity market is also less expensive than it was after a patch of underperformance, with the economy having gone through a soft patch, but we feel current valuation levels are still relatively full and remain vulnerable to further downward revisions to earnings expectations.

One area we have been monitoring is the Indian IT services sector, as macro uncertainty sees clients delay or cut discretionary IT spending plans. Although valuations have pulled back from higher levels, they still appear expensive relative to history. Instead, we've been adding to **EPAM Systems**, a US-listed peer with a significant Asian footprint, that has already de-rated to what we consider to be a significant discount to fair value. **EPAM's** revenues are also less exposed to legacy technology than the Indian companies, so it ought to be able to grow faster when the recovery eventually happens.

**Q** Indonesia has been a tough market, why are you overweight?

**A** Investor sentiment has been negatively impacted by the direction of policy under President Prabowo, who since taking power in October has introduced a popular, but costly, free school lunch policy and set up a holding company for Indonesia's State-Owned Enterprises (SOEs) called Danantara. He has also loosened rules that limit the role of military personnel in SOEs and questioned Indonesia's policy of capping the fiscal deficit at 3% of gross domestic product.

Unfortunately, this has coincided with a weak patch for Indonesia's economy, as post-Covid inflation has weighed on lower income cohorts. However, the current account is close to being in surplus, debt/GDP ratios are low, with an orthodox monetary policy and limited signs of excess. So, when we look at the valuation of the Indonesian market, which on a price to book basis, is as lowly rated as at any time since the end of the Asian Financial Crisis, we are left asking ourselves whether the market is pricing the risks correctly, or is there an opportunity being created by investors' fears?

### MSCI Indonesia, Price-to-book ratio



Source: Bloomberg, Invesco as at 30 April 2025.

Domestic political risk has risen as economic growth has slowed, and the risks appear greater than they were a few years ago. However, we believe the economy is resilient enough to cope with likely headwinds from domestic policy making, and many of these risks already appear to have been priced by the market. Earnings growth is unlikely to be particularly strong, but that is already more than reflected in 'crisis' valuations, while our banks and telecom holdings have very attractive dividend yields of 7-9%. All that's lacking is an obvious catalyst for positive earnings revisions.

So, we have increased our overweight position, selectively adding to existing holdings as well as introducing **Bank Rakyat Indonesia (BRI)**, one of the country's leading banks, which specialises in microlending. BRI's micro lending business has high entry barriers and consequently generates high returns on equity. The bank is extremely well capitalised with a common equity tier one ratio of 25%, so is well positioned to weather adverse economic conditions. The stock trades on 1.9x price to book with an 8% dividend yield.

### Q Are there any other changes to positioning worth flagging?

A The portfolio continues to have modest overweight positions in Hong Kong & China, where we have remained active. Earlier in the period there was a shift away from companies that had sensitivity to the downward trend in property completions in favour of undervalued companies where we have greater conviction that earnings could surprise positively. In the second half, we continued to add to **Sands China** and hotel operator **H World**, while also introducing **Sany Heavy Industry** (the largest construction machinery manufacturer in China) and **Shenzhen Mindray Bio-Medical**, both of which are domestically listed 'A' shares. In turn, we sold **Hansoh Pharmaceutical** with the share price appearing close to fair value after a period of outperformance.

In South Korea, we have taken advantage of recent market weakness to add to existing holdings we felt were attractively valued, and introduced **Samsung E&A**, an engineering and construction company involved in hydrocarbon and new energy projects in the Middle East, as well as building infrastructure for the Samsung Group. We also sold **Hyundai Motor**, which significantly outperformed as the discount which the 2nd Preference shares trade at relative to the ordinary share class narrowed. In turn, we introduced auto-parts and after-service provider **Hyundai Mobis**, where there is scope for a margin recovery to support a share price re-rating.

Finally, we sold: the last of our small holding in Vietnamese steel producer **Hoa Phat**; and Australian holding **QBE Insurance**, another strong performer in recent years that had reached what we considered to be fair value.

### Q Any final thoughts?

A Irrespective of current macro uncertainty, Asia is home to some of the most exciting investment opportunities in the world and provides diversification benefits for investors with a global remit. In North Asia, you can find world leading manufacturing and technology companies, supply chains for AI and renewable energy technologies that play an important role in global trade and the energy transition. China, India and Southeast Asia are hotbeds of growth in consumer demand, with innovative internet and e-commerce businesses. Exposure to rising incomes and a growing middle class is also accessible through well capitalised financials across the region.

Asian equities currently offer double-digit earnings growth, with reasonable valuation levels across much of the universe. However, the asset class continues to trade at a significant discount to global equities, particularly the US market. Furthermore, Asian currencies have started to strengthen relative to the US dollar, which remains overvalued against most currencies, with the performance of Asian equity markets having historically tended to benefit from a weakening US dollar trend. This continues to be fertile ground for active stock pickers, with significant valuation disparity across Asian markets, and genuine improvements in shareholder return policies.

Whilst we remain mindful of geopolitical risks and the uncertainty that may come with the Trump administration's pursuit of protectionist policies, Asian corporates have healthy balance sheets and competitive advantages which could make them more resilient than what is being implied in valuations. Moreover, if specific channels of global trade are forced to reconfigure away from China, other Asian countries could benefit, which would likely see further growth in intra-Asian trade.

**Fiona Yang & Ian Hargreaves**  
Portfolio Managers

16 July 2025

# The Manager's ESG Monitoring and Engagement

## A recap of our approach to ESG

We feel that ESG considerations matter because they affect a company's business prospects and risk profile, its fair value, and expected future returns. As such, they form an integral part of our investment process, helping us better evaluate new opportunities and manage portfolio risk. To make better investment decisions and act with greater conviction we focus on establishing the materiality of ESG issues, to ascertain whether a company's share price is overly discounted, or not.

We also recognise that as active managers, we have a unique ability to influence change and promote best practices by engaging with companies, with an eye to enhancing the value of our investments over time. Improved ESG credentials can help drive a business's growth prospects, which we need to be alert to. We strongly believe that actively integrating ESG considerations in this way and engaging directly with companies, lead to better client outcomes.

## Engagement example – Tencent

Tencent, a Chinese internet and media conglomerate, offers services in gaming, video entertainment, online advertising, fintech, and cloud solutions. It also operates WeChat, China's largest messaging app.

In 2022, a Sustainalytics assessment concluded that the company had become non-compliant with one of the ten United Nations Global Compact (UNGC) Principles - namely Principle 2 on Human Rights (businesses should make sure that they are not complicit in human rights abuses). Tencent had been accused of engaging in systemic censorship on WeChat targeting topics like criticism of the Chinese government and calls for human rights recognition.

At the time we felt that Tencent, in our engagements with the company, came across as an ESG leader among Asian internet companies. While there is subjectivity in determining whether complying with various countries' regulations, including China's, constitutes human rights abuses, we concluded at the time that it did not. Aside from content censorship and data privacy, we also highlighted board composition and carbon emissions as material ESG issues.

Our most recent engagement with Tencent followed on from our discussion on the company's status and efforts to comply with the 10 Principles from the UNGC. Since we started the conversation back in 2022, the company has become a participant of the UNGC and reports on its progress every year in July. We did note that the company's reporting standard for the UNGC progress is lower than peers such as Baidu - which is something we feel they can improve on. As of January 2025, Tencent is still assessed by Sustainalytics as being non-compliant to UNGC Principle 2. However, there is rationale for Invesco's disagreement with Sustainalytics' assessment, including what we felt to be selective targeting of Chinese companies while ignoring the wider sector, the use of a one-dimensional view of sources, and subjective judgements on what is considered censorship that violates human rights.

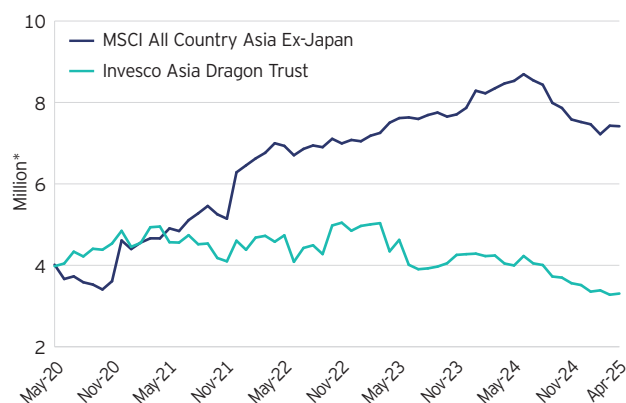
Invesco will continue to monitor the controversies related to human rights (data privacy) and the company's future UNGC reporting.

## Update on the portfolio's climate credentials

Climate change continues to be a strategic priority for Invesco, with a commitment to the Net Zero Asset Managers initiative. As can be seen from the chart below, the portfolio's carbon intensity remains below that of the benchmark index. Encouragingly, we have seen more net zero commitments from Asian companies, suggesting this portfolio's carbon intensity can continue to trend lower.

## Invesco Asia Dragon Trust (formerly Invesco Asia Trust) – Carbon time series

### ISS Scope 1+2 Emissions



Source: ISS as at 30 April 2025.

Portfolio Holdings as of date: Invesco Asia Dragon Trust May 2020 through to April 2025.

Benchmark Holdings as of Date: MSCI AC Asia ex Japan May 2020 through April 2025.

\* Metric tons of carbon dioxide equivalents CO<sub>2</sub>e.

As at 30 April 2025, the portfolio had investments in 57 different companies, of which 36 have already made a commitment to Net Zero Alignment (NZA), representing c.68% of the portfolio by weight. Twelve months ago, the equivalent numbers were: 32/58 companies, representing c.70% of portfolio.

This process is still at a relatively early stage, and those committed to aligning but not yet actively doing so all have sustainability reports that cover carbon emissions reduction plans, so full alignment feels like the next logical step. For those companies yet to commit, we continue to enquire as to their plans, encouraging them to make a commitment and adopt a NZA target.

The level of engagement that Asian companies are having with investors such as ourselves suggests that we're likely to see an increase in the proportion of companies having made a net zero commitment over the next 3-5 years. However, different countries are at different stages in moving towards NZA, and we do not expect progress to be smooth.

## Representation of women on company boards

As part of our engagement with companies, we will also consider the representation of women on their board. It is important to Invesco that women are represented on the boards of the companies we hold for reasons including company performance, diversity of thought and better reflection of the demographic of customers. As of 30 April 2025, data for the number of women on their boards was made available by 56 of the 57 companies in the portfolio. The average percentage of women on boards was c.22% - an increase from last year. Seven of the 57 companies had no women represented on their board. Twelve months ago, the average percentage of women on boards was c.21% for the 50 of 56 companies with data available, eight companies had no women on their board. We encourage companies to increase their representation through our engagement meetings.

## Update on Company Voting

The table below provides a summary of our shareholder voting record. We review AGM and EGM proposals taking into account our own knowledge of the companies in which the portfolio is invested, as well as the comments and recommendations of Institutional Shareholder Services (ISS) and Glass Lewis. On occasions when we encounter situations of controversy, or observe differing views between these consultants, we will draw on the deep expertise of our internal ESG team for advice.

Sometimes we will follow the recommendations made by ISS and Glass Lewis, but there will be times where we disagree with the stance being taken. Finally, it is worth noting that a vote in line with management recommendations should not be seen as evidence of a lack of challenge on our part, but rather that the governance of the companies in which we are invested is already good and worthy of support.

## Invesco Asia Dragon Trust plc – 1 May 2024 and 30 April 2025

Category	Total Number of ballots	Total %
Ballots Voted	65	98.48
Ballots Against Management recommendations	29	44.61
Ballots Against ISS recommendations	15	23.07

## Insight into Invesco's ESG Framework

The Henley based Invesco Asia & Emerging Markets equities team, of which the Portfolio Managers are a part, incorporates ESG considerations in its investment process as part of the evaluation of new primary and secondary market opportunities, with identified ESG concerns feeding into the final investment decision and assessment of fair value. The Manager's proprietary approach to integrating ESG can be described by (1) illustrating the relationship between share prices and what they consider to be the company's 'right' fair value and (2) by providing examples of how ESG is quantified before making investment decisions. Finally, (3) active ownership means engaging with companies to enhance client outcomes and measuring engagement impact where possible.

### (1) Establishing the 'right' fair value

Exhibit 1 below illustrates the relationship between share prices and fair value - with the gap between the two representing the potential mis-pricing.

The team typically make investments when a company's shares are trading at a significant discount to their estimate of fair value (near the green dots in the chart). Typically, they would expect the share price to revert towards fair value within a 3-5 year period (near the red dots), at which point, they would sell or have sold the shares for better opportunities elsewhere.

In other words, the team buy when the shares are expected to return in excess of 10% p.a. (slope from green dots to red dots (i.e. fair value)) and sell when a stock offers at best only mid-single digit returns p.a. (represented by the slope of the fair value band), similar to what the wider market has historically achieved. Whilst schematised, it is conceptually useful.

The team point to four cases in this chart (represented by the numbered squares) which highlight the merits of integrating material ESG information to establish the 'right' fair value estimate. The team expect to make better investment decisions and with greater conviction if they:

- 1 **Establish that ESG issues are truly overly discounted - to avoid missing out on opportunities**
- 2 **Account for ESG credentials which lead to better business prospects - to avoid selling too early**

- 3 **Appreciate the true materiality of a company's ESG issues or credentials - to avoid overpaying**
- 4 **Actively exploit our ability to engage with companies on ESG issues - to improve their ESG credentials**

Through these cases, the Manager is demonstrating the benefits of actively integrating ESG aspects to better assess the true financial opportunity alongside the sustainability outcome. Client outcomes are greatly improved if negative exclusions (e.g. coal-related company), positive inclusions (e.g. EV-related company), and impact investments (defined as investments intended to generate a positive social or environmental impact - e.g. wind turbines company) are active decisions supported by a valuation framework.

The team's primary goal is to outperform the market by investing in companies where the fundamentals are under appreciated by the market. This integrated investment approach allows them to reduce risk by correctly discounting the value of companies with negative ESG characteristics while appreciating the benefits of positive ESG momentum in their estimates. Promoting positive change through engagement is increasingly driving positive sustainability outcomes.

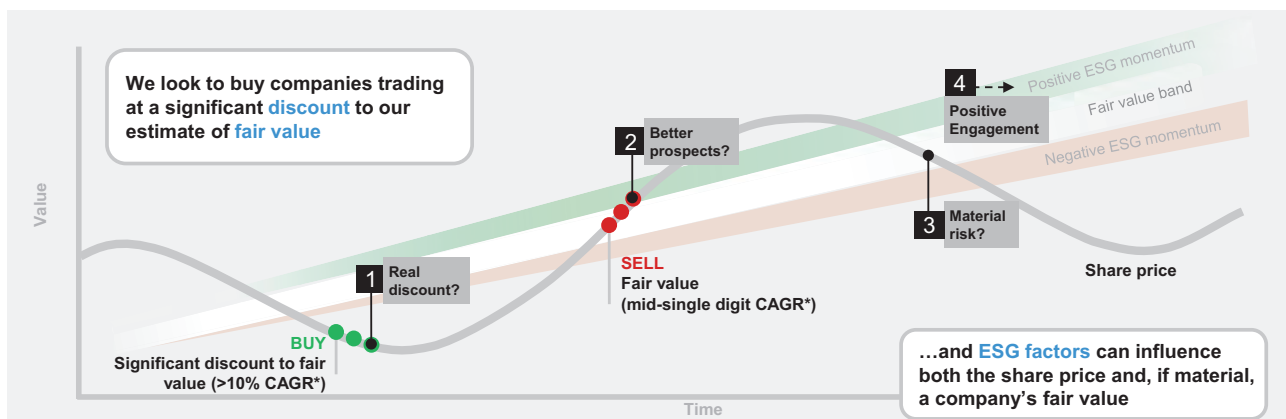
### (2) How it works in practice: ESG is quantified prior to making investment decisions

Firstly, the team evaluate companies based on the total return they can generate over their 3-5 year investment horizon (preferably >10% p.a.) and use their own fundamental analysis to estimate the three components of total return, namely:

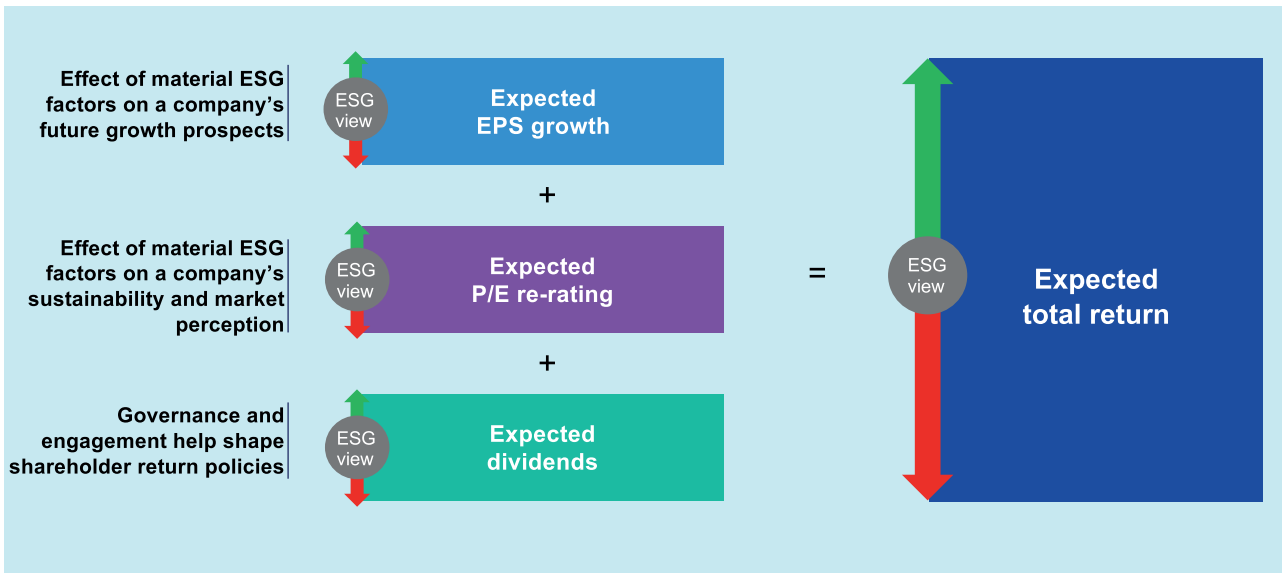
- Future business growth (expressed as Earnings Per Share ('EPS') growth below)
- The fair valuation multiple (leading to a projected re-rating or de-rating)
- Future dividends expressed as a yield

To some degree, all businesses have ESG issues to contend with but not all will be material enough to affect the team's bottom-up estimates. In some cases, areas of concern or opportunity can be singled out and a discount or premium to estimates can be applied to account for the materiality. ESG issues are rarely static or binary and often involve trade-offs that constantly shift, so adopting a flexible, dynamic

Exhibit 1: The investment lifecycle and the potential effects of ESG on fair value



Source: Invesco. For illustrative purposes only. \*>10% Compound Annual Growth Rate (CAGR) is considered to be attractive over a 3-5 year period as it is well above the mid-single digit CAGR returns (~5-7%) historically delivered by the market as a whole - and a return expectation at the stock level which we would consider to be 'fair value'. ESG considerations have scope to increase or decrease a company's fair value band and thus a stock's attractiveness (a higher discount to fair value implies a higher potential CAGR). Whilst the fund manager considers ESG aspects they are not bound by any specific ESG criteria and have the flexibility to invest across the ESG spectrum from best to worst in class. •Refers to the potential effects of ESG on our estimate of fair value -numbers refer to the text on this and the next page.



framework that is based on judgement rather than solely on external ratings is considered hugely beneficial.

For example, a steel producer aligned to sustainability goals may warrant a higher valuation multiple relative to its sector peers, but one's fundamental analysis should also account for the potentially higher costs involved (i.e. water recycling, etc) and investment required (i.e. hydrogen-based capex) to meet that challenge.

The team amalgamate all their fundamental work into a proprietary company shortlist as shown below. It ranks the hundred or so candidate companies by total return, highlighting the three components of return mentioned previously. The dynamic framework means that a stock's attractiveness is continuously reassessed and ranked as share prices and fundamentals change. The team will look to drop stocks that no longer meet their total return threshold. In some cases, this may be caused by changing views about a company's ESG credentials - considerable time and effort is spent generating potential new ideas to replace these.

One of the major advantages of this framework is that it allows the team to compare stocks in different sectors, geographies, themes, and with different ESG credentials as well as allowing team members to challenge the assumptions made.

Investment decisions are ultimately based on judgement. Once the fair value estimate has been established incorporating ESG considerations, the team's conviction levels in those estimates and other considerations such as liquidity, downside protection and portfolio construction, combine to form a holistic view of an investment opportunity.

### (3) Monitoring and engagement

Along with the day-to-day integration of ESG as part of the team's fundamental analysis, ESG information is formally raised during semi-annual reviews with the ESG team. Stocks with poor overall ratings are flagged and undergo rigorous analysis to understand the underlying issues. Although the poor rating of certain stocks such as cement companies or steel producers does not come as a surprise to the investment team, an important part of the risk management process is to apply greater scrutiny to stocks which negatively affect the overall ESG rating of the portfolio. Issues raised by external rating providers need to be appropriately assessed. Incorporating their own views about flagged ESG issues is a key part of establishing a company's fair value and helps to build conviction in ideas that go against consensus views.

# Investments in Order of Valuation

AT 30 APRIL 2025

Ordinary shares unless stated otherwise

† The sector group is based on MSCI and Standard & Poor's Global Industry Classification Standard.

Company	Sector <sup>†</sup>	Country	Market Value £'000	% of Portfolio
Taiwan Semiconductor Manufacturing	Semiconductors and Semiconductor Equipment	Taiwan	71,612	9.3
Tencent <sup>R</sup>	Media and Entertainment	China	57,939	7.5
Samsung Electronics	Technology Hardware and Equipment	South Korea	29,797	3.9
- ordinary shares			17,407	2.2
- preference shares			47,204	6.1
HDFC Bank	Banks	India	45,458	5.9
AIA	Insurance	Hong Kong	29,375	3.8
Kasikornbank <sup>F</sup>	Banks	Thailand	28,507	3.7
NetEase <sup>R</sup>	Media and Entertainment	China	27,963	3.6
Alibaba <sup>R</sup>	Consumer Discretionary Distribution and Retail	China	25,931	3.3
Shriram Finance	Financial Services	India	18,870	2.4
United Overseas Bank	Banks	Singapore	18,694	2.4
<b>Top Ten Holdings</b>			<b>371,553</b>	<b>48.0</b>
Full Truck Alliance - ADS	Transportation	China	17,820	2.3
Grab	Transportation	Singapore	17,524	2.3
Anglo American	Materials	United Kingdom	15,399	2.0
ENN Energy <sup>R</sup>	Utilities	China	14,591	1.9
JD.com <sup>R</sup>	Consumer Discretionary Distribution and Retail	China	14,477	1.9
ICICI Bank - ADR	Banks	India	14,277	1.8
China Resources Beer	Food, Beverage and Tobacco	Hong Kong	13,921	1.8
H World <sup>R</sup>	Consumer Services	China	7,004	0.9
- ordinary shares			6,812	0.9
- ADR			13,816	1.8
Samsung Fire & Marine	Insurance	South Korea	13,725	1.8
Wuliangye <sup>A</sup>	Food, Beverage and Tobacco	China	12,928	1.7
<b>Top Twenty Holdings</b>			<b>520,031</b>	<b>67.3</b>
Yageo	Technology Hardware and Equipment	Taiwan	12,915	1.7
CK Asset	Real Estate Management and Development	Hong Kong	12,507	1.6
Yili <sup>A</sup>	Food, Beverage and Tobacco	China	12,301	1.6
Largan Precision	Technology Hardware and Equipment	Taiwan	12,182	1.6
Bank Rakyat	Banks	Indonesia	12,111	1.6
Sands China	Consumer Services	Hong Kong	11,385	1.5
Astra International	Capital Goods	Indonesia	10,976	1.4
Hyundai Mobis	Automobiles and Components	South Korea	10,828	1.4
Naver	Media and Entertainment	South Korea	10,546	1.3
MediaTek	Semiconductors and Semiconductor Equipment	Taiwan	9,839	1.3
<b>Top Thirty Holdings</b>			<b>635,621</b>	<b>82.3</b>

# Investments in Order of Valuation

AT 30 APRIL 2025

Ordinary shares unless stated otherwise

† The sector group is based on MSCI and Standard & Poor's Global Industry Classification Standard.

Company	Sector <sup>†</sup>	Country	Market Value £'000	% of Portfolio
Link REIT	Equity Real Estate Investment Trusts (REITs)	Hong Kong	9,471	1.2
PT Bank Negara Indonesia Persero	Banks	Indonesia	8,570	1.1
Telkom Indonesia	Telecommunication Services	Indonesia	8,482	1.1
Vinamilk	Food, Beverage and Tobacco	Vietnam	7,795	1.0
Delhivery	Transportation	India	7,679	1.0
Woodside Energy	Energy	Australia	7,182	0.9
Sany Heavy Industry <sup>A</sup>	Capital Goods	China	6,634	0.9
KB Financial	Banks	South Korea	6,587	0.9
PDD Holdings - ADS	Consumer Discretionary Distribution and Retail	Ireland	6,587	0.9
Power Grid	Utilities	India	6,497	0.8
<b>Top Forty Holdings</b>			<b>711,105</b>	<b>92.1</b>
Samsung E&A	Capital Goods	South Korea	5,991	0.8
LG Chemical	Materials	South Korea	5,814	0.7
Uni-President	Food, Beverage and Tobacco	Taiwan	5,365	0.7
EPAM Systems	Software and Services	United States	5,332	0.7
LG Household & Health Care	Household and Personal Products	South Korea	5,168	0.7
Shenzhen Mindray Bio-Medical <sup>A</sup>	Health Care Equipment and Services	China	5,029	0.6
Tingyi <sup>R</sup>	Food, Beverage and Tobacco	China	3,756	0.5
Beijing Capital International Airport <sup>H</sup>	Transportation	China	3,700	0.5
SK Hynix	Semiconductors and Semiconductor Equipment	South Korea	3,666	0.5
Semen Indonesia	Materials	Indonesia	3,607	0.5
<b>Top Fifty Holdings</b>			<b>758,533</b>	<b>98.3</b>
Tencent Music Entertainment - ADS	Media and Entertainment	China	3,574	0.4
MINTH	Automobiles and Components	Hong Kong	3,143	0.4
Sea - ADS	Media and Entertainment	Singapore	2,341	0.3
Shenzhen Transsion <sup>A</sup>	Technology Hardware and Equipment	China	2,271	0.3
Dyno Nobel	Chemicals	Australia	1,290	0.2
China MeiDong Auto <sup>R</sup>	Consumer Discretionary Distribution and Retail	China	1,043	0.1
Lime Co <sup>UQ</sup>	Capital Goods	South Korea	34	-
<b>Total Holdings 57 (2024: 58)</b>			<b>772,229</b>	<b>100.0</b>

A: A-shares - shares that are denominated in Renminbi and traded on the Shanghai and Shenzhen stock exchanges.

ADR/ADS: American Depositary Receipts/Shares - are certificates that represent shares in the relevant stock and are issued by a US bank. They are denominated and pay dividends in US dollars.

F: F-Shares - shares issued by companies incorporated in Thailand that are available to foreign investors only. Thai laws have imposed restrictions on foreign ownership of Thai companies so there is a pre-determined limit of these shares. Voting rights are retained with these shares.

H: H-Shares - shares issued by companies incorporated in the People's Republic of China ('PRC') and listed on the Hong Kong Stock Exchange.

R: Red Chip Holdings - holdings in companies incorporated outside the PRC, listed on the Hong Kong Stock Exchange, and controlled by PRC entities by way of direct or indirect shareholding and/or representation on the board.

UQ: Unquoted investment.

# Classification of Investments by Country/Sector

AT 30 APRIL

	2025		2024	
	Market Value £'000	% of Portfolio	Market Value £'000	% of Portfolio
<b>Australia</b>				
Chemicals	1,290	0.2	-	-
Energy	7,182	0.9	-	-
Insurance	-	-	1,970	0.8
Materials	-	-	1,721	0.7
	<b>8,472</b>	<b>1.1</b>	<b>3,691</b>	<b>1.5</b>
<b>China</b>				
Capital Goods	6,634	0.9	-	-
Consumer Discretionary Distribution and Retail	41,451	5.3	14,111	5.7
Consumer Durables and Apparel	-	-	5,912	2.4
Consumer Services	13,816	1.8	1,199	0.5
Food, Beverage and Tobacco	28,985	3.8	10,945	4.3
Health Care Equipment and Services	5,029	0.6	-	-
Insurance	-	-	2,070	0.8
Media and Entertainment	89,476	11.5	23,524	9.3
Pharmaceuticals, Biotechnology and Life Sciences	-	-	3,371	1.3
Technology Hardware and Equipment	2,271	0.3	-	-
Transportation	21,520	2.8	6,993	2.8
Utilities	14,591	1.9	2,981	1.2
	<b>223,773</b>	<b>28.9</b>	<b>71,106</b>	<b>28.3</b>
<b>Hong Kong</b>				
Automobiles and Components	3,143	0.4	3,337	1.3
Consumer Durables and Apparel	-	-	2,186	0.9
Consumer Services	11,385	1.5	-	-
Equity Real Estate Investment Trusts (REITs)	9,471	1.2	3,469	1.4
Food, Beverage and Tobacco	13,921	1.8	1,735	0.7
Insurance	29,375	3.8	9,600	3.8
Real Estate Management and Development	12,507	1.6	4,746	1.9
	<b>79,802</b>	<b>10.3</b>	<b>25,073</b>	<b>10.0</b>
<b>India</b>				
Banks	59,735	7.7	15,598	6.2
Financial Services	18,870	2.4	5,760	2.3
Transportation	7,679	1.0	3,751	1.5
Utilities	6,497	0.8	1,737	0.7
	<b>92,781</b>	<b>11.9</b>	<b>26,846</b>	<b>10.7</b>
<b>Indonesia</b>				
Banks	20,681	2.7	3,154	1.3
Capital Goods	10,976	1.4	2,942	1.2
Materials	3,607	0.5	2,320	0.9
Telecommunication Services	8,482	1.1	1,916	0.7
	<b>43,746</b>	<b>5.7</b>	<b>10,332</b>	<b>4.1</b>
<b>Ireland</b>				
Consumer Discretionary Distribution & Retail	6,587	0.9	-	-
Money Market Fund	-	-	1,494	0.6
	<b>6,587</b>	<b>0.9</b>	<b>1,494</b>	<b>0.6</b>

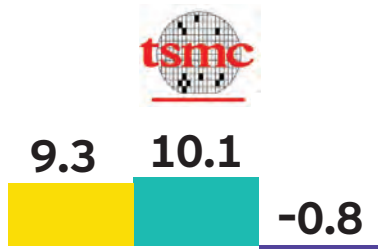
# Classification of Investments by Country/Sector

AT 30 APRIL

	2025		2024	
	Market Value £'000	% of Portfolio	Market Value £'000	% of Portfolio
<b>Singapore</b>				
Banks	18,694	2.4	5,407	2.2
Media and Entertainment	2,341	0.3	2,756	1.1
Transportation	17,524	2.3	3,810	1.5
	<b>38,559</b>	<b>5.0</b>	<b>11,973</b>	<b>4.8</b>
<b>South Korea</b>				
Automobiles and Components	10,828	1.4	2,532	1.0
Banks	6,587	0.9	2,631	1.0
Capital Goods	6,025	0.8	37	-
Household and Personal Products	5,168	0.7	1,572	0.6
Insurance	13,725	1.8	5,399	2.1
Materials	5,814	0.7	3,776	1.5
Media and Entertainment	10,546	1.3	-	-
Semiconductors and Semiconductor Equipment	3,666	0.5	6,045	2.4
Technology Hardware and Equipment	47,204	6.1	19,021	7.6
	<b>109,563</b>	<b>14.2</b>	<b>41,013</b>	<b>16.2</b>
<b>Switzerland</b>				
Consumer Durables and Apparel	-	-	2,845	1.1
	<b>-</b>	<b>-</b>	<b>2,845</b>	<b>1.1</b>
<b>Taiwan</b>				
Food, Beverage and Tobacco	5,365	0.7	1,724	0.7
Semiconductors and Semiconductor Equipment	81,451	10.6	26,198	10.4
Technology Hardware and Equipment	25,097	3.3	10,668	4.2
	<b>111,913</b>	<b>14.6</b>	<b>38,590</b>	<b>15.3</b>
<b>Thailand</b>				
Banks	28,507	3.7	6,994	2.8
	<b>28,507</b>	<b>3.7</b>	<b>6,994</b>	<b>2.8</b>
<b>United Kingdom</b>				
Materials	15,399	2.0	6,171	2.5
	<b>15,399</b>	<b>2.0</b>	<b>6,171</b>	<b>2.5</b>
<b>United States</b>				
Software & Services	5,332	0.7	-	-
	<b>5,332</b>	<b>0.7</b>	<b>-</b>	<b>-</b>
<b>Vietnam</b>				
Food, Beverage and Tobacco	7,795	1.0	2,908	1.2
Materials	-	-	2,211	0.9
	<b>7,795</b>	<b>1.0</b>	<b>5,119</b>	<b>2.1</b>
<b>Total</b>	<b>772,229</b>	<b>100.0</b>	<b>251,247</b>	<b>100.0</b>

## Top 10 holdings (%)

- Company
- Index
- Active - represents the over/(under)weight of the holding in the portfolio relative to the benchmark index.



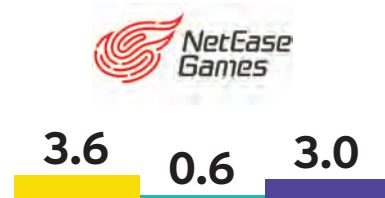
Taiwan Semiconductor Manufacturing ('TSMC') is the largest semiconductor foundry in the world and has consistently been the preferred choice for semiconductor companies looking to outsource manufacturing.



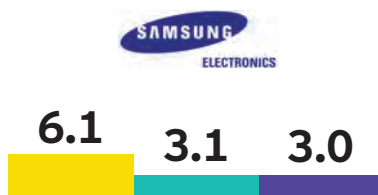
Kasikornbank ('KBank') has been providing banking services in Thailand since 1945. Formerly known as the Thai Farmers Bank it is the country's leading lender to small and medium sized enterprises.



Tencent is the largest internet media company in China, with the most popular social network and the largest market share of internet gaming revenue.



NetEase is a Chinese games developer, it develops and operates some of China's most popular PC and mobile games.



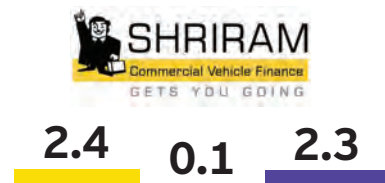
Samsung Electronics is a leading manufacturer of consumer and industrial electronic equipment.



Alibaba is the leading Chinese e-commerce operator and has a dominant position in potential growth areas including cloud computing, online finance and new retail.



HDFC Bank is the pioneer and leader in retail-mortgage financing in India. Through its subsidiaries and joint ventures, the company also enjoys a strong presence in other financial-services segments including banking, insurance and asset management.



Shriram Finance is an Indian financial services company, providing loan services for cars, commercial vehicles businesses and gold loan services.



AIA is a pan-Asian insurance company that is well positioned to benefit from the long-term structural growth potential in the life insurance market.



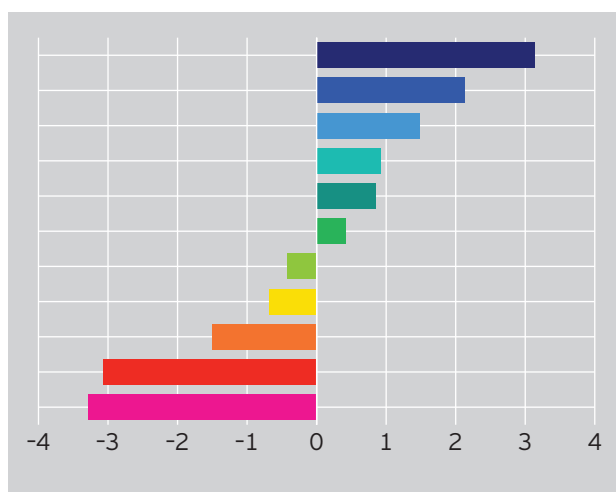
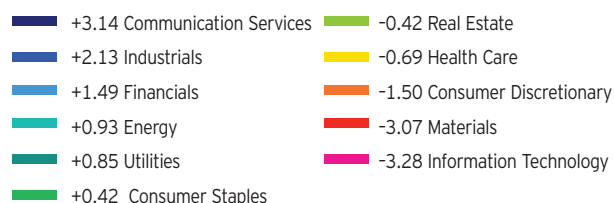
United Overseas Bank ("UOB") is a Singaporean bank with a strong regional footprint across Southeast Asia. It offers a range of retail, corporate and private banking services.

## Sector over/underweights (%)

As at 30 April 2025

	Company	Index	Active
Consumer Staples	7.93	3.93	4.00
Communication Services	14.36	11.14	3.22
Financials	25.40	22.64	2.76
Industrials	9.11	7.33	1.78
Real Estate	2.85	2.25	0.60
Utilities	2.73	2.63	0.10
Materials	3.38	3.64	-0.26
Energy	0.93	3.26	-2.33
Health Care	0.65	3.60	-2.95
Information Technology	21.37	24.69	-3.32
Consumer Discretionary	11.29	14.89	-3.60

12 month Sector weighting change

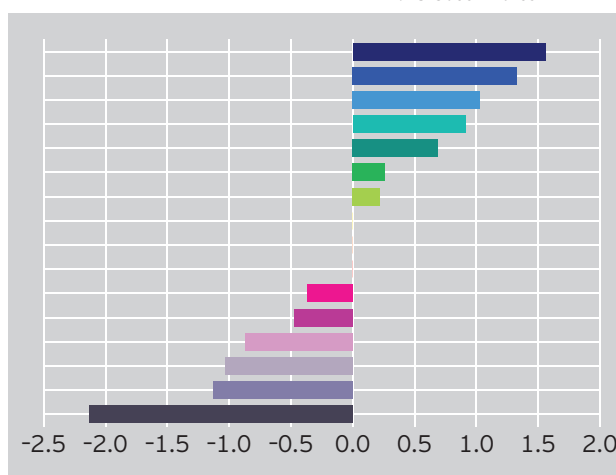
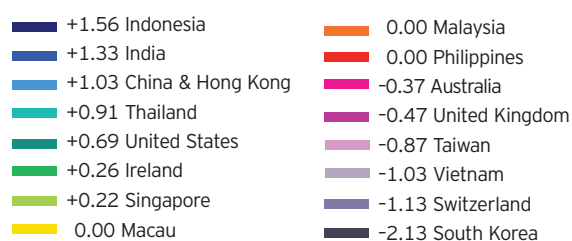


## Country over/underweights (%)

As at 30 April 2025

	Company	Index	Active
Indonesia	5.67	1.43	4.24
South Korea	14.19	10.66	3.53
Thailand	3.69	1.42	2.27
United Kingdom	1.99	0.00	1.99
Australia	1.10	0.00	1.10
Vietnam	1.01	0.00	1.01
Singapore	4.99	4.11	0.88
Ireland	0.85	0.00	0.85
China & Hong Kong	39.31	38.60	0.71
United States	0.69	0.04	0.65
Macau	0.00	0.18	-0.18
Philippines	0.00	0.59	-0.59
Malaysia	0.00	1.59	-1.59
Taiwan	14.49	19.42	-4.93
India	12.02	21.96	-9.94

12 month Country weighting change



# Business Review

## Purpose, Business Model and Strategy

Invesco Asia Dragon Trust plc is an investment company and its investment objective is set out below. The strategy the Board follows to achieve that objective is to set investment policy and risk guidelines, together with investment limits, and to monitor how they are applied. These are also set out below and have been approved by shareholders.

The Company's purpose is to provide shareholders with long-term capital growth and income by investing in a diversified portfolio of Asian and Australasian companies. The business model the Company has adopted to achieve its investment objective has been to contract out investment management and administration to appropriate external service providers, which are overseen by the Board. The principal service provider is Invesco Fund Managers Limited, which throughout this report is referred to as 'the Manager'. Invesco Asset Management Limited, an associate company of the Manager, manages the Company's investments and acts as Company Secretary under delegated authority from the Manager.

The Manager provides company secretarial, marketing and general administration services including accounting and manages the portfolio in accordance with the Board's strategy.

Fiona Yang and Ian Hargreaves are the Co-Portfolio Managers responsible for the day-to-day management of the portfolio.

The Company also has contractual arrangements with MUFG Corporate Markets (formerly known as Link Group) to act as registrar and the Bank of New York Mellon (International) Limited ('BNYMIL') as depository and custodian.

### Investment Objective

The Company's objective is to provide long-term capital growth and income by investing in a diversified portfolio of Asian and Australasian companies. The Company aims to achieve growth in its net asset value ('NAV') total return in excess of the Benchmark Index, the MSCI AC Asia ex Japan Index (total return, net of withholding tax, in sterling terms).

### Investment Policy

The Company invests primarily in the equity securities of companies listed on the stock markets of Asia (ex Japan) including Australasia. It may also invest in unquoted securities up to 10% of the value of the Company's gross assets, and in warrants and options when it is considered the most economical means of achieving exposure to an asset.

The Company is actively managed and the Manager has broad discretion to invest the Company's assets to achieve its investment objective. The Manager seeks to ensure that the portfolio is appropriately diversified having regard to individual stock weightings and the geographic and sector composition of the portfolio.

### Investment Limits

The Board has prescribed limits on the investment policy, including:

- exposure to any one company may not exceed 15% of total assets;
- exposure to group-related companies may not exceed 15% of total assets;
- the Company may not invest more than 10% of total assets in any one listed closed-ended investment fund including ETFs;
- the Company may not invest more than 10% in aggregate in unquoted investments;
- the Company may invest in warrants and options up to a maximum of 10% of total assets. Apart from these and currency hedges, other derivative instruments are not permitted; and
- the Company may use borrowings up to 25% of net assets.

With the exception of borrowings in foreign currency, the Company does not normally hedge its currency positions but may do so if considered appropriate.

All the above limits are applied at the time of acquisition, except gearing which is monitored on a daily basis.

### Borrowing and Debt

The Company's borrowing policy is determined by the Board. The level of borrowing may be varied in accordance with the Portfolio Managers' assessment of risk and reward, subject to the overall limit of 25% of net assets and the availability of suitable finance. In normal market conditions, the level of borrowing is expected generally to be no more than 15% of net assets.

### Performance and Key Performance Indicators

The Board reviews performance by reference to a number of Key Performance Indicators which include the following:

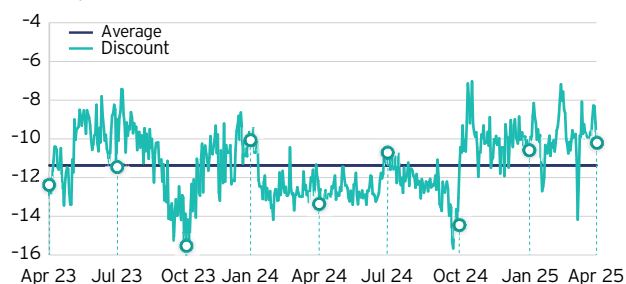
- the NAV and share price;
- peer group performance;
- discount;
- dividend; and
- ongoing charges ratio.

A chart showing the total return **NAV** and **share price** performance compared to the Company's benchmark index can be found on page 6.

**Peer group performance** is monitored in relation to five investment trusts in the Asia Pacific Equity Income sector and four investment trust companies in the Asia Pacific sector that in the opinion of the Board form the nine companies in the bespoke peer group of the Company. These are trusts that invest for growth and income in the Asia excluding Japan sector, as these most closely match the Company's investment objective and capital structure. As at 30 April 2025, in total return NAV terms

the Company was ranked second over one year, third over three years and third over five years (source: Association of Investment Companies).

The **discount** of the shares is monitored on a daily basis. During the year the shares traded at a discount to NAV in a range of 7.0% to 15.7% with an average discount of 11.2%. The graph below, plots the discount over the two years to 30 April 2025. At the year end, the discount to the NAV stood at 10.2%.



The Board considers it desirable that the Company's shares do not trade at a significant discount to NAV and believes that, in normal market conditions, the shares should trade at a price which on average represents a discount not more than 10% of NAV on a cum

to deal with any material overhang of shares in the market it seeks authority from shareholders annually to buy back shares. Shares may be repurchased when, in the opinion of the Board, the discount is wider than desired and shares are available in the market. The Board considers that the repurchase of shares at a discount will enhance net asset value for remaining shareholders and may also assist in addressing the imbalance between the supply of and demand for the Company's shares and thereby reduce the scale and volatility of the discount at which the shares trade in relation to the underlying net asset value.

Discounts across the whole investment trust sector, not just Asian trusts, remain elevated and the average discount of the share price to net asset value was higher than the Board's tolerance at 11.2%. The Board undertook a buyback programme during the year and as at 30 April 2025, a total of 3,675,000 shares had been repurchased into treasury.

The ten year record for **dividends** can be found on page 6, and the **ongoing charges ratio** for the last two years on page 88.

## Results and Dividend

For the year ended 30 April 2025 the NAV total return was 2.8% compared to the total return on the benchmark index of 3.9%. The Portfolio Managers' Report on pages 11 to 13 reviews the results.

Prior to implementation of the combination with Asia Dragon Trust plc the dividend policy aimed to pay in two equal instalments in November and April in each year, in the absence of unforeseen circumstances, a regular aggregate annual dividend equal to approximately 4.0% of NAV, calculated by reference to the NAV on the last business day of September.

Following implementation of the combination the Company maintained its current policy of paying an aggregate annual dividend equal to approximately 4.0% of its NAV, but increased the frequency of its dividend payments to a quarterly basis (i.e. approximately 1.0% every three months), with payments to be made in January, April, July and October of each year.

In addition, and with effect from 1 May 2025, the date was set at the last business day of April for the NAV by reference to which the four quarterly payments of 1% would be calculated, commencing on 30 April 2025. Dividends can be paid from a combination of the Company's revenues, revenue reserves and capital reserves as required. Shareholders should note that the dividend policy of paying dividends calculated as a percentage of NAV means that dividends could fall if the NAV falls. The Company has paid three interim dividends in respect of the financial year; a first interim dividend of 7.8p per ordinary share

was paid on 29 November 2024 to shareholders on the register on 8 November 2024. The second interim dividend of 3.9p per ordinary share was paid on 31 January 2025 to shareholders on the register on 17 January 2025. The third interim dividend of 3.9p per ordinary share was paid on 25 April 2025 to shareholders on the register on 11 April 2025. This gives a dividend yield of 4.9%, based on share price at year end.

Whilst the quarterly interim dividends are not subject to a resolution at the forthcoming AGM, a resolution to approve the Company's dividend payment policy will be put to shareholders at the AGM on 18 September 2025.

## Financial Position and Borrowing

The Company's balance sheet on page 65 shows the assets and liabilities at the year end. Details of the Company's bank facility are shown in note 11 to the financial statements, with interest paid (finance costs) shown in note 5.

## Outlook, including the Future of the Company

The main trends and factors likely to affect the future development, performance and position of the Company's business can be found in the Portfolio Managers' Report of this Strategic Report. Further details of the principal risks affecting the Company are set out in the section: 'Principal and Emerging Risks and Uncertainties' on pages 27 to 31.

## Investment Process

At the core of the Manager's philosophy is a belief in active investment management. Fundamental principles drive an active investment approach, which aims to deliver attractive total returns over the long term. The investment process emphasises pragmatism and flexibility, active management, a focus on valuation and the combination of top-down and bottom-up fundamental analysis. Bottom-up analysis forms the basis of the investment process. It is the key driver of stock selection and is expected to be the main contributor to alpha generation within the portfolio. Portfolio construction at sector level is largely determined by this bottom-up process but is also influenced by top-down macroeconomic views.

Research provides a detailed understanding of a company's key historical and future business drivers, such as demand for its products, pricing power, market share trends, cash flow and management strategy. This allows the Manager to form an opinion on a company's competitive position, its strategic advantages/disadvantages and the quality of its management. The team has contact with several hundred companies during each year. The portfolio management team travel to the region 3-4 times per year. The Manager will also use valuation models selectively in order to understand the assumptions that brokers/analysts have incorporated into their valuation conclusions and as a structure into which the Manager can input its own scenarios.

Risk management is an integral part of the investment management process. Core to the process is that risks taken are not incidental but are understood and taken with conviction. The Manager controls stock-specific risk effectively by ensuring that the portfolio is appropriately diversified.

Also, in-depth and constant fundamental analysis of the portfolio's holdings provides the Manager with a thorough understanding of the individual stock risk taken. The Manager's internal Performance & Risk Team, an independent team, ensures that the Portfolio Managers adhere to the portfolio's investment objectives, guidelines and parameters. There is also a culture of challenge and debate within the portfolio management team regarding portfolio construction and risk.

The Manager considers ESG and climate related risks as part of the overall investment process. Further details on this aspect of the process is discussed on pages 14 and 15.

## Internal Control and Risk Management

The Directors have overall responsibility for the risk control framework and are responsible for reviewing the effectiveness of these controls. This includes safeguarding the Company's assets. The following describes how the Directors have carried out a robust assessment of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity.

The Audit Committee (the 'Committee'), on behalf of the Board, has established an ongoing process for identifying and undertaking a rigorous assessment of current and emerging risks to which the Company is exposed. This assessment references a risk control summary, which maps the risks, mitigating controls in place, and monitoring and reporting of relevant information.

As part of the process, the Committee has categorised into four categories: strategic; investment management; third party service providers; and regulation and corporate governance. An explanation of these categories follows.

### Strategic Risk

The Board sets the strategy including objectives of the Company and how these should be achieved. The Board assesses the performance of the Company in the context of the market and macro-economic issues, and gives direction, while monitoring the Manager and other third parties for the actions they take on behalf of the Company.

### Investment Management Risk

Investment management covers management of the portfolio together with cash management, gearing and hedging i.e. the items which the Portfolio Managers have control of, and which generate the Company's performance.

### Third Party Service Providers Risk

The Company has no employees and its Directors are appointed on a non-executive basis. The Company is reliant on Third Party Service Providers ('TPP') for its executive functions. The Company's most significant TPP is the Manager - to which portfolio management, company secretarial and administrative services are delegated. Other significant TPPs are the broker, depositary, custodian and registrar.

### Regulation and Corporate Governance Risk

The regulations with which the Company is required to comply include the provisions of the Companies Act 2006, the UK Listing Rules, the Alternative Investment Fund Managers Directive, the Market Abuse Regulation, the Financial Conduct Authority's ('FCA') Disclosure Guidance and Transparency Rules, tax regulation as an investment trust, the UK Corporate Governance Code and Accounting Standards.

The residual risk ratings analysed in the Risk Control Matrix, enable the Directors to concentrate on those risks that are most significant and also forms the basis of the list of principal risks and uncertainties.

The Company's oversight and its control environment is based on the Company's relationship with its TPPs all of which have clearly defined lines of responsibility, delegated authority, and control procedures and systems. The Company uses the three lines of defence model, which is also embedded into the Manager's risk management systems.

The effectiveness of the Company's internal control and risk management system is reviewed at least annually by the Committee. The Committee has received satisfactory reports on the operations and systems of internal control of the Manager, custodian and registrar. Reports on the Manager encompassed all the areas the Manager is responsible for: investment management, company secretarial and general administration. The Committee also received a comprehensive and satisfactory report from the depositary at the year end Committee meeting.

Due diligence is undertaken and contracts considered before arrangements are entered into with any TPP. The Manager regularly reviews the arrangements with each of the TPPs including service standards, the performance of all TPPs through formal and informal meetings, and by reference to third party independently audited service organisation control reports. The results of the Manager's reviews are reported to and reviewed by the Committee. These various reports did not identify any significant failings or weaknesses during the year and up to the date of this Annual Financial Report. If any had been identified, appropriate remedial action would have been taken. In particular the Board formally reviews the performance of the Manager annually and informally at every Board meeting. No significant failings or weaknesses were identified or occurred throughout the year ended 30 April 2025 and up to the date of this Annual Financial Report.

Reporting to the Board at each board meeting comprises, but is not limited to: financial reports, including any hedging and gearing; updates in relation to implementation of strategy; performance against the benchmark and the Company's peer group; the Portfolio Managers' review, including of the market, the portfolio, transactions and prospects; revenue forecasts; ESG; and investment monitoring against investment guidelines. The Portfolio Managers are permitted discretion within these guidelines, which are set by the Board. Compliance with the guidelines is monitored daily. Any proposed variation to these guidelines is referred to the Board.

## Principal and Emerging Risks and Uncertainties

With the support of the Manager, the Audit Committee maintains a detailed risk control summary matrix that identifies the principal risks and uncertainties to which the Company is exposed, along with strategies to mitigate them as effectively as possible. Principal risks are defined as those risks where the combination of probability and impact is most significant and could seriously affect the Company's performance, future prospects or reputation. The Directors have evaluated the likelihood and perceived impact of each risk after implementing mitigating actions. They then determine the acceptability of the residual risk, which defines the Board's risk appetite.

Following the implementation of the combination, the Board conducted a thorough review of risks which could impact the Company's sustainable success. Given the substantial increase in the Company's assets as a result of the combination, this exercise was aimed at reassessing the Company's principal and emerging risks, identifying new risks and taking the necessary actions to mitigate their potential impact. As a


result of this review the risk control summary was revised accordingly, resulting in some risks being reclassified as principal risks and the identification of one emerging risk.

Given this review the Directors affirm that they have conducted a robust assessment of the principal and emerging risks facing the Company, including those that could jeopardise its business model, future performance, solvency, or liquidity.

In addressing other risks, the Board aims to balance the potential impact and likelihood of each risk with its capacity and willingness to control and mitigate the risk to an acceptable level.

### Risk trend:

-  Increased
-  Unchanged
-  Decreased

Risk & Impact	Controls & Mitigation	Trend During Year
<p><b>Strategic Risk</b></p> <p><b>Geopolitical Risk</b></p> <p>This encompasses the potential for political, social economic and cultural developments to impact the value of the company's assets adversely and materially. The escalation of geopolitical tensions globally presents a growing risk to market stability and overall investment landscape. The company remains exposed to these uncertainties, particularly in relation to concerns surrounding global economic growth, rising political volatility, and the increased risks of protectionist measures, including tariffs on exported goods. These factors may materially affect the performance of the company's assets.</p> <p>China specific risks: investing in China is subject to the risks associated with investing in emerging markets generally and China-specific risks. The latter include greater Government intervention and control of the economy, changes in its legal and regulatory systems, uncertainty surrounding its relationship with Taiwan, and currency related risks, including possible blocks and restrictions on repatriation of foreign currency. Deterioration of the relationship between China and the West, which may result in imposition of sanctions, could have an adverse impact and present risks to the company's financial position and investments.</p>	<p>The Manager evaluates and assesses political risk as part of the stock selection and asset allocation policy which is monitored at every Board meeting. This includes political, military and diplomatic events and changes to legislation. Balancing political risk and reward is an essential part of the active management process.</p> <p>The Manager maintains robust systems, experienced personnel, and established controls to monitor market conditions continuously and respond swiftly to periods of financial stress or crisis.</p> <p>Forward-looking scenario analysis and stress testing, covering a range of moderate to severe market conditions, are conducted to support the Board's assessment and confirmation of the Company's long-term viability.</p> <p>The Portfolio Managers incorporate Chinese macroeconomic data, market intelligence, and relevant political analysis into their Board reporting to support ongoing oversight and decision-making.</p>	<p>Unchanged </p>

**Strategic Risk****Market Risk**

Market risk refers to the potential for the Company's investments to incur losses due to broad-based factors that impact the performance of financial markets as a whole, commonly known as systematic risk. The Company's market risk exposure encompasses three primary components: equity market risk, currency risk, and interest rate risk.

While market risk is an inherent and unavoidable aspect of investing across global markets, it is actively monitored and managed through portfolio diversification, disciplined asset allocation, and ongoing dialogue with the Manager. The Manager integrates risk considerations into portfolio construction and investment strategy, aiming to mitigate the impact of adverse market movements.

The Board receives regular updates from the Manager on market conditions and outlook, and oversees the application of the Company's policies on gearing and liquidity. Within agreed parameters, the Manager is granted discretion to manage cash and leverage levels, enabling responsive risk management aligned with prevailing market dynamics. The Board closely monitors the effectiveness of these measures and the investment process as a whole.

The Company has a diversified investment portfolio by country, sector and stock. Due to its investment trust structure, no forced sales need to take place and investments can be held over a longer term horizon. However, there are few ways to mitigate absolute market risk because it is engendered by factors which are outside the control of the Board and the Manager. These factors include the general health of the world economy, interest rates, inflation, government policies, industry conditions, and changing investor demand and sentiment. Such factors may give rise to high levels of volatility in the prices of investments held by the Company.

Further details of the Company's exposure to market risk (including market price risk, currency risk and interest rate risk), liquidity risk and credit risk and how they are managed are contained in note 16 to the financial statements on pages 73 to 76

Unchanged **Strategic Risk****Share Price Discount to NAV**

The Company's shares may trade at a persistent discount to Net Asset Value (NAV), and the absolute level or volatility of this deviation may negatively impact shareholder value.

Furthermore, a prolonged and significant discount to NAV may attract the attention of activist investors, potentially leading to strategic or structural pressures on the Company.

The Board receives regular reports from both the Manager and the Company's broker on the Company's share price performance, level of share price discount to NAV and recent trading activity in the Company's shares.

As a result of the implementation of the combination, the Board has also strengthened the Company's Corporate Proposition by introducing initiatives to help address the Company's share rating including triennial unconditional tender offers and an updated dividend policy.

Unchanged 

**Third Party Service Provider Risk****Cybersecurity and Operational Resilience Risk**

A cyber incident affecting the Manager's systems could impair the accurate monitoring and reporting of the Company's financial position, and compromise the confidentiality, integrity, or availability of sensitive data. Additionally, cyberattacks targeting the Company's third-party service providers may disrupt the delivery of critical services or lead to the loss or misappropriation of Company assets. Such events could materially impact the Company's operations and stakeholder confidence.

The Company's operational structure means that all cyber risk arises at its Third Party Providers and this risk is heightened by technological advancement such as Artificial Intelligence (AI).

The Company's operational structure means that all cyber risk arises at its TPPs and this risk is heightened by technological advancement such as Artificial Intelligence (AI).

The Audit Committee receives regular updates on the Manager's information and cyber security. This includes updates on the cyber security framework, staff resource and training, and the testing of its security systems designed to protect against a cyber security attack.

As well as conducting a regular review of TPPs audited service organisation control reports, the Audit Committee monitors TPPs' business continuity plans and testing including the TPPs' and Manager's regular 'live' testing of workplace recovery arrangements should a cyber event occur.

In addition, the Manager's operational resilience plan is reviewed on an ongoing basis and the Directors are satisfied that the Manager has in place robust plans and infrastructure to minimise the impact on its operations so that the Company can continue to trade, meet regulatory obligations, report and meet shareholder requirements.

Unchanged **Investment Management Risk****Investment Strategy & Performance**

The Company's investment objectives, strategy and/or performance no longer meets investors' demands.

The adoption of an inappropriate investment strategy, whether through suboptimal asset allocation, excessive or insufficient gearing, or misalignment with market conditions, may lead to underperformance relative to the Company's benchmark and its peer group over a 3-5 year period.

Furthermore, the effectiveness of the Manager's investment approach, including strategic execution and adequacy of resourcing, is critical to delivering sustainable performance. Any deficiencies in these areas may result in prolonged underperformance, impairing the Company's ability to meet its stated objectives and diminishing its attractiveness to existing and prospective investors.

The Board has put in place investment limits and guidelines which are monitored and reported by the Manager.

The Portfolio Managers attend each Board meeting where performance is discussed and detailed reports are reviewed.

The Board regularly compares the Company's NAV performance over both the short and long term to that of the benchmark and peer group as well as reviewing the portfolio's performance against benchmark (attribution) and risk adjusted performance (volatility, beta, tracking error, Sharpe ratio) of the Company and its peers.

The Portfolio Managers can use gearing within parameters set by the Board.

The Board generally holds a separate meeting devoted to investment and wider strategic matters each year.

Unchanged 

**Currency and Exchange Rate Risk**

The Company is exposed to currency risk arising from its Asian investment strategy, which involves holding assets and generating income in a range of non-sterling currencies. Fluctuations in exchange rates, particularly between sterling and other major currencies, can materially impact returns, as well as the level of income received from overseas investments.

Further, shifts in macroeconomic factors such as inflation and interest rates may further amplify exchange rate movements, contributing to variability in portfolio returns.

With the exception of borrowings in foreign currency, the Company does not normally hedge its currency positions but may do so should the Portfolio Managers or the Board feel this to be appropriate. Contracts are limited to currencies and amounts commensurate with the asset exposure. The foreign currency exposure of the Company is reviewed at Board meetings.

Unchanged 

## Emerging Risk

The AIC Code of Corporate Governance mandates the Audit Committee to establish procedures for identifying emerging risks facing the Company. These risks are defined as potential trends, sudden events, or changing risks characterised by a high degree of uncertainty regarding their occurrence probability and possible effects on the Company.

Once identified, as the impact of emerging risks becomes clearer, they may be added to the Company's risk matrix, and mitigating actions considered as necessary. Previously identified emerging risks are either removed from the risk matrix if they are no longer considered potential risks to the Company or escalated to principal risks.

At the time of this report's publication, the Board, through the Audit Committee, has identified the following principal emerging risk to the Company.

Risk & Impact	Controls & Mitigation	Trend During Year
<p><b>Strategic Risk</b></p> <p><b>Shareholder Activism Risk</b></p> <p>The Company may be exposed to shareholder activism, where investors or groups of investors seek to influence management decisions, corporate strategy, or governance practices. Activist shareholders may have conflicting interests with other shareholders. Activist shareholders may push for changes that could alter the Company's operational direction, impact long-term value creation, or lead to strategic restructuring. Such activism could result in reputational risk, increased costs related to shareholder disputes, and potential changes in the Company's capital structure or governance framework. While the Company seeks to engage constructively with its investors, the risk of activist campaigns could affect shareholder value and market perception.</p>	<p>The following mitigants are in place and, in conjunction with the Manager, are reviewed by the Board regularly:</p> <ul style="list-style-type: none"> <li>■ <b>Strong Governance Framework</b> A robust and transparent governance structure is in place which includes an independent Board with diverse expertise. This ensures that the interests of all shareholders are properly represented. Clear policies on shareholder engagement and decision-making processes are in place which may limit the likelihood of activism.</li> <li>■ <b>Regular Shareholder Engagement</b> The Company and Manager have in place processes for ongoing and proactive communication with shareholders through regular updates, investor meetings, and consultation on key issues helps align the interests of management and investors.</li> <li>■ <b>Clear Investment Strategy and Performance</b> The Company has put in place a well-communicated and consistently executed investment strategy that delivers competitive performance relative to peers and benchmarks.</li> <li>■ <b>Shareholder Rights and Voting Procedure</b> There are clearly defined shareholder rights set out in the Company's Articles of Association and transparent voting procedures are in place at shareholder meetings including the AGM.</li> <li>■ <b>Active Monitoring of Shareholder Composition</b> The Board through the Manager, regularly monitors the shareholder base to identify new investors early which would allow the Company to engage in timely dialogue and address any concerns proactively.</li> </ul>	<p>New</p>

## Viability Statement

The Company is a collective investment vehicle rather than a commercial business venture and is designed and managed for long term investment. The Company's investment objective clearly sets out the long-term nature of the returns from the portfolio and this is the view taken by both the Directors and the Portfolio Managers in the running of the portfolio. The Company intends to proceed with triennial unconditional tender offers for up to 100% of the Company's issued share capital at a 4.0% discount to the prevailing NAV (debt at fair value, cum income). The first Unconditional Tender Offer is expected to be put forward to shareholders in 2028, by no later than the date of announcement of its final results for the financial year ended 30 April 2028. The Directors remain confident in the Company's Investment Case and Corporate Proposition, as detailed on pages 8 and 9, to deliver against the Company's investment objectives. On this basis and notwithstanding the triennial unconditional tender offers referred to above, the Directors consider that 'long term' for the purpose of this viability statement is three years, albeit that the life of the Company is not intended to be limited to this period.

In their assessment of the Company's viability, the Directors have performed a robust assessment of the emerging and principal risks. The Directors considered the risks to which it is exposed, as set out on pages 27 to 30, together with mitigating factors. Their assessment considered these risks, as well as the Company's investment objective, investment policy and strategy, the investment capabilities of the Manager and the business model of the Company, which has withstood several major market downcycles since the Company's inception in 1995. Their assessment also covered the current outlook for the Asian economies and equity markets, the ongoing conflicts in Ukraine, the Middle East, US-China relations and wider geopolitical matters; the demand for and buybacks of the Company's shares; the Company's borrowing structure and level of gearing; the liquidity of the portfolio; and the Company's future income and annual operating costs, including stressed scenario testing for both income and loan covenants. Although the current outlook for Asian markets is challenging, the Directors and the Manager are cautiously optimistic that Asia remains a region with sound economic and corporate fundamentals. Lastly, whilst past performance may not be indicative of performance in the future, the sustainability of the Company can be demonstrated to date by there having been no material change in the Company's investment objective since its launch in 1995.

The Directors confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due for the three year period from the signing of the balance sheet.

## Duty to Promote the Success of the Company (s.172)

The Directors have a statutory duty under section 172 of the Companies Act 2006 to promote the success of the Company whilst also having regard to certain broader matters, including the need to engage with employees, suppliers, customers and others, and to have regard to their interests. The Company has no employees and no customers in the traditional sense and in accordance with the Company's nature as an investment trust, the Board's principal concern has been, and continues to be, the interests of the Company's shareholders taken as a whole. In doing so, it has due regard to the impact of its actions on other stakeholders including the Manager, other TPPs and the impact of the Company's operations on the community and the environment which are all taken into account during all discussions and as part of the Board's decision making.

The Board has a responsible governance culture. A formal schedule of matters reserved for decision by the Board details the responsibilities of the Board. The main responsibilities include: setting the Company's objectives, policies and standards; ensuring that the Company's obligations to shareholders and others are understood and complied with; approving accounting policies and dividend policy; managing the capital structure; setting long-term objectives and strategy; assessing risk; reviewing investment performance; approving loans and borrowing; and controlling risks. The Schedule of Matters Reserved for the Board and the Terms of Reference for its Committees are reviewed at least annually and are published on the Company's web page: <https://www.invesco.com/uk/en/investment-trusts/invesco-asia-dragon-trust.html>.

The Board is committed to maintaining open channels of communication and to engage with stakeholders in a manner which they find most meaningful. The table on the next page sets out how the Board engaged with each of its key stakeholders during the year under review.

**Shareholders**

The Board endeavours to provide shareholders with a full understanding of the Company's activities and reports formally to shareholders each year by way of the Half-Yearly and Annual Financial Reports. This is supplemented by the daily publication of the net asset value of the Company's ordinary shares and monthly factsheets. Shareholders who attend the AGM can meet the Board and the Portfolio Managers and have the opportunity to hear directly from the Portfolio Managers and ask questions. Shareholders can also visit the Company's section of the Manager's investment trust website, [www.invesco.co.uk/invescoasia](http://www.invesco.co.uk/invescoasia) to access copies of Half-Yearly and Annual Financial Reports, shareholder circulars, factsheets and Stock Exchange announcements.

There is regular dialogue between the Board, the Manager and institutional shareholders to discuss aspects of investment performance, governance and strategy and to listen to shareholder views in order to help to develop an understanding of their issues. Meetings between the Manager and institutional shareholders are reported to the Board, which monitors and reviews shareholder communications on a regular basis.

**Investment Manager & other key Third-Party service Providers ('TPP')**

The Board engages with the Manager at every Board meeting and receives updates from the Portfolio Managers on a regular basis outside of these meetings.

At every Board meeting, the Directors receive an investor relations update from the Manager, which details any significant changes in the Company's shareholder register, shareholder feedback, as well as notifications of any publications or press articles.

In order to function as an investment trust with a premium listing on the London Stock Exchange, the Company relies on a diverse range of reputable advisers for support in meeting all relevant obligations. The Board through the Manager maintains regular contact with its key external service providers and receives regular reporting from them, both through the Board and committee meetings, as well as outside of the regular meeting cycle. Their advice, as well as their needs and views are routinely taken into account.

The Board (through the Management Engagement Committee) formally assesses its TPPs' performance, fees and continuing appointment annually to ensure that the key service providers continue to function at an acceptable level and are appropriately remunerated to deliver the expected level of service.

The Audit Committee reviews and evaluates the financial reporting control environments in place at each service provider. There have been no material changes to the level of service provided by the Company's third-party suppliers.

**Investee Companies**

On the Company's behalf the Manager engages with investee companies, particularly in relation to ESG matters, and shares held in the portfolio are voted at general meetings.

An example of how the Manager engaged with one investee company during the year can be found on page 14.

**Broker**

The Board and the Manager regularly engage with the Broker in relation to the sales strategy and marketing of the Company during the year, in order to provide liquidity for investors.

## Association of Investment Companies ('AIC')

The Company is a member of the AIC, which looks after the interests of investment trusts and provides information to the market. Comprehensive information relating to the Company can be found on the AIC website.

As a member of the AIC, the Company is welcomed to comment on consultations and proposal documents on matters affecting the Company and annually to nominate and vote for future board members.

Some of the key discussions and decisions the Board made during the year were:

- to consider and approve the combination with Asia Dragon Trust, further details of which are set out in the Chairman's Statement on pages 7 to 9 (including amendments to the articles of association to remove the continuation vote) and the introduction of a triennial unconditional tender in place of the conditional tender offer mechanism introduced in 2020;
- to consider and approve the increase of the Company's bank facility;
- as a result of the combination, and to ensure continuity on the Board, to approve the appointment of four new directors further details of which are set out in the Chairman's Statement on page 7 and in the Corporate Governance Report on page 44;
- to approve an update to the dividend policy whereby the Company maintained the policy of paying an aggregate annual dividend equal to approximately 4.0% of its NAV; but increased the frequency of its dividend payments from a half-yearly basis (2.0% in each of November and April) to a quarterly basis (four equal dividends of approximately 1.0% every three months, with payments made in January, April, July and October of each year). In addition the Board agreed to pay total dividends for the year ended 30 April 2025 of 15.6p per share. Dividends were paid from a combination of revenue and capital reserves. Factors the Board took into consideration in deciding the dividends for the 2025 financial year included: shareholder expectations, revenue generated by the Company during the year, revenue forecasts for the 2026 financial year and the capacity of the Company to pay dividends out of its reserves; and
- to undertake a share buy back programme as the Company's discount exceeded the Board's average discount target of less than 10% of NAV calculated on a cum income basis (formerly ex-income) over the financial year.

The Company communicates with shareholders at least twice a year providing information about shareholder meetings, dividend payments and financial results. The Company's page on the Manager's website provides all shareholder information and regularly hosts video presentations (vlogs) and articles by the Portfolio Managers and the wider Asian and Emerging Markets Equities team. The Company holds its AGM in London, this provides shareholders with the opportunity to attend a presentation and actively engage with the Portfolio Managers and meet with Directors and representatives of the Manager. Furthermore, the Manager provides a schedule of regional meetings with institutional investors and analysts to gather the views and thoughts of institutional investors. This year's AGM will be held on 18 September 2025 and shareholders are encouraged to attend the AGM.

### Modern Slavery

As an investment vehicle the Company does not provide goods or services in the normal course of business, and does not have customers or employees. Accordingly, the Directors consider that the Company is not within the scope of the UK Modern Slavery Act 2015.

### Board Diversity

The Board takes into account many factors, including the balance of skills, knowledge, diversity and experience, amongst other factors when reviewing its composition and appointing new directors.

In view of its size, the Board will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment. In doing so, the Board will seek to meet the targets set out in the FCA's UK Listing Rule 6.6.6R (9)(a), which are set out below.

In accordance with the UK Listing Rule 6.6.6R (9), (10) and (11) the Board has provided the following information in relation to its diversity.

### Board Gender as at 30 April 2025

	Number of board members	Percentage of the board	Number of senior positions on the Board (CEO, CFO, SID and Chair) <sup>(1)</sup>
Men	3	37.5%	1
Women	5	62.5% <sup>(2)</sup>	1

(1) The Company is externally managed and does not have executive management functions specifically, it does not have a CEO or CFO. The Board believes that the target as narrowly defined by the FCA is not applicable and considers that the role of Chair, SID and Chair of the Audit Committee are all senior positions. Of these three senior roles, two are performed by women and one by a man.

(2) Exceeds target of 40% as set out in UKLR 6.6.6R (9)(a)(i).

## Board Ethnic Background as at 30 April 2025

	Number of board members	Percentage of the board	Number of senior positions on the Board (CEO, CFO, SID and Chair) <sup>(1)</sup>
White British or other White (including minority-white groups)	6	75%	2
Minority ethnic	2	25%	0

(1) As stated in the Board Gender disclosure, the Board believes that the target as narrowly defined by the FCA is not applicable and considers that the role of Chair, SID and Chair of the Audit Committee are all senior positions. The three senior roles are occupied by directors who self-identify as White British or other White (including minority-white groups).

The information included above in relation to the gender and ethnic background of the Board has been obtained following confirmation from the individual Directors.

There have been no changes since the year end that have affected the Company's ability to meet the targets set in UKLR 6.6.6R (9)(a).

## Environmental, Social and Governance ('ESG') Matters

The Board recognises the importance of ESG considerations and considers that the Company has a responsibility to shareholders of ensuring high standards of corporate governance are maintained in the companies in which it invests. As an investment company with no employees, property or activities outside investment, environmental policy has limited direct application. In relation to the portfolio, the Company has delegated the management of the Company's investments to the Manager.

The Manager forms part of the Invesco Ltd group. Invesco Ltd ('Invesco') is committed to being a responsible investor and applies, and is a signatory to, the United Nations Principles for Responsible Investment ('PRI'), which demonstrates its extensive efforts in terms of ESG integration, active ownership, investor collaboration and transparency. Invesco scored four stars for its Investment & Stewardship Policy under new scoring methodology produced by PRI. This followed five consecutive years of achieving an A+ rating for responsible investment (Strategy & Governance) under the previous methodology. In addition, Invesco is an active member of the UK Sustainable Investment and Finance Association as well as a supporter of the Task Force on Climate-related Financial Disclosure ('TCFD') since 2019 and published its fourth iteration of its Global TCFD Report in 2023.

The Manager discloses in its Alternative Investment Fund Managers ('AIFM') document as well as on its webpage <https://www.invesco.com/uk/en/about-us/esg-and-responsible-investing.html>, how sustainability risks are integrated.

Regarding stewardship, the Board considers that the Company has a responsibility as a shareholder towards ensuring that high standards of corporate governance are maintained in the companies in which it invests. To achieve this, the Board does not seek to intervene in daily management decisions, but aims to support high standards of governance and, where necessary, will take the initiative to ensure those standards are met. The principal means of putting shareholder responsibility into practice is through the exercise of voting rights. The Company's voting rights are exercised on an informed and independent basis.

The Company's stewardship functions have been delegated to the Manager, which has adopted a clear and considered policy

towards its responsibility as a shareholder on behalf of the Company. As part of this policy, the Manager takes steps to satisfy itself about the extent to which the companies in which it invests look after shareholders' value and comply with local recommendations and practices, such as the UK Corporate Governance Code.

Further details are shown in the Manager's ESG Monitoring and Engagement section on pages 14 to 17.

A copy of the Manager's ESG stewardship approach and objectives can be read in its UK Stewardship Code Report at <https://www.invesco.com/uk/en/insights/uk-stewardship-code-report.html#ukstewardship>

## Task Force for Climate-related Financial Disclosures ('TCFD')

Whilst TCFD is currently not applicable to the Company, the Manager has produced a product level report on the Company in accordance with the FCA's rules and guidance regarding the disclosure of climate-related financial information consistent with TCFD Recommendations and Recommended Disclosures. These disclosures are intended to help meet the information needs of market participants, including institutional clients and consumers of financial products, in relation to the climate-related impact and risks of the Manager's TCFD in-scope business. The product level report on the Company is available on the Company's website [https://www.invesco.com/content/dam/invesco/uk/en/product-documents/investment-trust/fund/esg/invesco-asia-trust-plc\\_tcf-report\\_en-uk.pdf](https://www.invesco.com/content/dam/invesco/uk/en/product-documents/investment-trust/fund/esg/invesco-asia-trust-plc_tcf-report_en-uk.pdf)

Invesco's Group Level Task Force on Climate-Related Financial Disclosures ('TCFD') is available on the Managers' Website at [https://www.invesco.com/content/dam/invesco/emea/en/pdf/ivz\\_global-tcf-report.pdf](https://www.invesco.com/content/dam/invesco/emea/en/pdf/ivz_global-tcf-report.pdf)

The Strategic Report was approved by the Board of Directors on 16 July 2025.

**Invesco Asset Management Limited**  
Corporate Company Secretary



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## Governance

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# Directors

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## Neil Rogan

Neil Rogan was appointed as a Director on 1 September 2017 and became Chairman on 31 July 2018. Neil is also Chairman of Baillie Gifford UK Growth Trust plc and a non-executive Director of JPMorgan Global Growth & Income plc. His 30 year career as an investment manager ranged from managing Asian portfolios for Flemings and Jardine Fleming to becoming Head of Global

Equities at Gartmore. He is Chairman of the Nomination Committee and Management Engagement Committee.



## Vanessa Donegan<sup>†</sup>

Vanessa Donegan was appointed as a Director on 17 October 2019. Vanessa is the Senior Independent Director of Fidelity China Special Situations plc and of JP Morgan Indian Investment Trust plc, a non-executive Director of Herald Investment Management Ltd. and of State Street Global Advisors Luxembourg SICAV. She has 37 years of fund management experience

investing institutional and retail portfolios in Asian stock markets, including single country China and India funds. She was Head of the Asia Pacific desk at Threadneedle Investments and then Head of Asia Pacific Equities, EMEA region at Columbia Threadneedle for a combined total of 21 years. She has extensive experience of marketing funds to retail and institutional clients across the globe. She is the Senior Independent Director and Chair of the Remuneration Committee.



## Matthew Dobbs<sup>†</sup>

Matthew Dobbs was appointed as a Director on 14 February 2025 previously serving as a Director of Asia Dragon Trust plc from 1 February 2022. Before retirement from full time fund management duties in 2021, Matthew had 40 years' fund management experience with Schroders. He specialised in Asian and Small Companies investment having served as

Schroders' Head of Global Small Companies from 2000. In addition to managing the Schroders Asian Alpha Plus Fund, Matthew was instrumental in helping grow the assets of two closed-ended investment companies, Schroder Asia Pacific Fund plc and Schroder Oriental Income Fund Limited into FTSE 250 Companies, serving as investment manager from their respective launches in 1995 and 2005. Matthew is non-executive Chairman of the European Opportunities Trust plc and a former Senior Independent Director of Asia Dragon Trust.



## Myriam Madden<sup>†</sup>

Myriam Madden was appointed as a Director on 4 November 2021. Myriam is a non-executive Director of Golden Charter Trust Ltd. and served as a non-executive Director of the Office of Gas and Electricity Markets (Ofgem) until 31 March 2025. She is also an advisory board member of the business school of University College Cork. She has operated at board level across a

range of regulated sectors, following a successful international and multi-sectoral career as a finance executive leading transformation programmes. A qualified chartered accountant, Myriam was a board member of the International Ethics Standards Board for Accountants, the International Federation of Accountants and the American Institute of Certified Public Accountants. She was also global President and Chairman of CIMA and was included in the 2018 Cranfield University's 100 Women to Watch. She is Chair of the Audit Committee.



### **Sonya Rogerson<sup>†</sup>**

Sonya Rogerson was appointed as a Director on 26 July 2022. She has over 20 years of international deal making, governance and risk management experience across a range of industries including financial services. As a qualified solicitor, Asia Pacific and emerging markets specialist, she has led legal and compliance functions and teams in leading international companies. Sonya is a Fellow of The Corporate Governance Institute UK & Ireland and an advocate of diversity and inclusion that translates into financial results.



### **James Will<sup>†</sup>**

James Will was appointed as a Director on 14 February 2025 previously serving as a Director of Asia Dragon Trust PLC from 1 October 2018. James is the former Chairman of law firm Shepherd and Wedderburn LLP where he was a senior corporate partner, heading its financial sector practice. He has experience of working with companies in a wide range of industry sectors including financial services, technology, energy and life sciences. James is the Chairman of BlackRock Throgmorton Trust plc and a non-executive director of JPMorgan European Discovery Trust plc. He was previously the Chairman of The Scottish Investment Trust plc and Asia Dragon Trust plc, and a non-executive director of JPMorgan Global Growth & Income plc.



### **Susan Sternglass Noble<sup>†</sup>**

Susan Sternglass Noble was appointed as a Director on 14 February 2025 previously serving as a Director of Asia Dragon Trust PLC from 7 August 2020. Susan has over 30 years' experience of investment management and analysis, specialising in financial sector equities, with focus on global, European and Asian mandates. She is a Mandarin Chinese speaker. Susan held senior roles at Goldman Sachs, JP Morgan, CQS and AXA Investment Managers. More recently she has held a number of board, advisory and policy roles. Susan is a non-executive director of Unity Trust Bank, a consultant to The Investor Forum, a director of the US-UK Fulbright Commission and an active angel investor. She was previously a specialist adviser to the Treasury Select Committee of the House of Commons and a Commissioner on the Dormant Assets Commission. Susan is a former director of Asia Dragon Trust plc.



### **Nicole Yuen<sup>†</sup>**

Nicole Yuen was appointed as a Director on 14 February 2025 previously serving as Director of ABRDN New Dawn Investment Trust PLC from 1 October 2022 and Asia Dragon Trust PLC from 9 November 2023. Nicole has had a long-standing career in investment banking in Asia for over three decades and is widely credited for her pioneering efforts in internationalising China's capital market. Nicole was formerly Managing Director, Head of Equities, North Asia and Vice Chairman, Greater China for Credit Suisse from 2012 to 2018. Before joining Credit Suisse, she worked at UBS for 18 years as Managing Director holding various leadership positions, across investment banking and securities divisions in Asia. She also served as a member of the Listing Committee of the China Securities Regulatory Commission. Prior to investment banking, Nicole was a partner at Clifford Chance, Hong Kong, after having worked as a lawyer in the UK, the US and The Netherlands. She now also sits on the board of Interactive Brokers Group, Inc as an independent non-executive director. Nicole is a former director of Asia Dragon Trust plc.

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All Directors are members of the Management Engagement, Remuneration and Nomination Committees.

<sup>†</sup> Member of the Audit Committee.

# Directors' Report

## Introduction

The Directors present their report for the year ended 30 April 2025.

The Corporate Governance Statement on pages 44 to 47, and the Duty to Promote the Success of the Company (s.172) section on pages 32 to 35 form part of the Directors' Report.

## Results and Dividends

Details of the Company's results and dividend are shown on page 25.

## Business and Status

The Company was incorporated and registered in England and Wales on 19 January 1995 as a public limited company, registered number 03011768. It is an investment company as defined by section 833 of the Companies Act 2006 and operates as an investment trust within the meaning of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011. HM Revenue & Customs have approved the Company's status as an investment trust and, in the opinion of the Directors, the Company has conducted its affairs so as to enable it to maintain such approval.

## Life of the Company

As a result of the combination, the Company adopted new Articles of Association (effective 13 February 2025) which removed the former requirement for a triennial continuation vote. The Board also introduced triennial unconditional tender offers (replacing the conditional tender offer introduced in 2020) for up to 100% of the Company's issued share capital at a 4.0% discount to the prevailing NAV (debt at fair value, cum income). The first Unconditional Tender Offer is expected to be put forward to shareholders in 2028, no later than the date of announcement of its final results for the financial year ended 30 April 2028.

## Financial Instruments

The Company's financial instruments comprise its investment portfolio; cash and loan balances; debtors and creditors which arise directly from its operations such as sales and purchases awaiting settlement; and accrued income. The financial risk management objectives and policies arising from its financial instruments and the exposure of the Company to risk are disclosed in note 16 to the financial statements, beginning on page 73.

## Going Concern

The financial statements have been prepared on a going concern basis.

The Directors consider the preparation of the financial statements on a going concern basis to be the appropriate basis. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being taken as at least 12 months after signing the financial statements, for the same reasons as set out in the Viability Statement. In considering this, the Directors took into account the diversified portfolio of liquid, readily realisable securities monitored regularly by the Manager and Board, which can be used to meet the net current liability position of the

Company as at the balance sheet date; and revenue forecasts for the forthcoming year. Stress testing scenarios were reviewed, including the potential downside effects of a fall in the valuation of the investment portfolio or levels of investment income.

## The Manager

### Investment Management Agreement ('IMA')

Invesco Fund Managers Limited ('IFML') acts as Manager and provides administration services to the Company under the IMA dated 22 July 2014. The agreement is terminable by either party giving not less than three months' written notice. Under the agreement, and for the period up to the completion of the combination, a management fee was payable quarterly in arrears and was equal to 0.75% p.a. of the value of the Company's total assets less current liabilities (including any short-term borrowings) under management at the end of the relevant quarter and 0.65% p.a. for any net assets over £250 million. With effect from completion of the combination, the IMA was amended to introduce a new and reduced fee structure as follows:

- 0.75% on the first £125 million of the Net Asset Value;
- 0.60% on the amount above £125 million and up to £450 million of the Net Asset Value; and
- 0.50% on the Net Asset Value in excess of £450 million.

As part of the combination the Manager also agreed to make a contribution to the costs of implementing the combination whereby the Manager has agreed to waive the new management fee it would otherwise have received for the nine months following completion of the combination in respect of the assets transferred. In the event that the IMA is terminated by the Company (other than for cause) during the succeeding three-year period the Company will be obliged to repay all or part of the costs contribution, depending on the date of termination and with the repayment obligation reducing by one-third on each anniversary. The assets for this purpose exclude the value of any investments in other funds managed by the Manager. Details of fees payable for the year are included in note 3 to the financial statements on page 69.

The Manager also receives a separate fee for company secretarial and administrative services, details of which are shown in note 4(iii) to the financial statements on page 69.

### The Manager's Responsibilities

The Directors have delegated to the Manager the responsibility for the day-to-day investment management activities of the Company, for seeking and evaluating investment opportunities and for analysing the accounts of the investee companies. The Manager has full discretion to manage the assets of the Company in accordance with the Company's stated objectives and policies as determined from time to time by the Board. Within the guidelines specified by the Board, the Manager has discretion to make purchases and sales, make and withdraw cash deposits, enter into underwriting commitments and exercise all rights over the investment portfolio. The Manager also advises on currency exposures and borrowings.

In addition, the Manager provides full administration and company secretarial services to the Company, ensuring that the Company complies with all legal and regulatory requirements and officiating

at Board meetings and shareholders' meetings. The Manager additionally maintains complete and accurate records of the Company's investment transactions, portfolio and all monetary transactions from which the Manager prepares Half-Yearly and Annual Financial Reports on behalf of the Company.

### **Assessment of the Manager**

The Management Engagement Committee considers the ongoing investment management, company secretarial and administrative requirements of the Company. These are assessed with reference to key performance indicators, with emphasis on performance relative to that of the benchmark index and the Company's peer group. The quality and timeliness of reports to the Board is also taken into account and the overall conduct of the Company's affairs by the Manager is considered. Details of the investment management fee can be found above.

During the year, the Management Engagement Committee met privately to consider the ongoing appointment of IFML as investment manager and AIFM against the various aspects of its terms of reference. On investment management, the Directors agreed that the philosophy, people, process and performance of Fiona and Ian, plus the support of the team behind them at Invesco, provided the Board confidence of future success. The IFML's administration of the Company was thoroughly reviewed, with no notable matters arising.

Accordingly, the Committee was happy to recommend to the Board that it believes that continuing with IFML as investment manager and AIFM was in the best interests of the Company and its shareholders. The Board had approved the continuing appointment of IFML.

### **Company Secretary**

The Board has direct access to the advice and services of the Company Secretary, IAML, which is responsible for ensuring that the Board and Committee procedures are followed and that applicable rules and regulations are complied with. The Company Secretary is also responsible to the Board for ensuring timely delivery of information and reports and that the statutory obligations of the Company are met. Finally, the Company Secretary is responsible for advising the Board, through the Chairman, on all governance matters.

During the year, the Management Engagement Committee considered during its private session, the Company Secretary appointment separately as this is an area that could be outsourced to a third party but IAML's performance in this area had been strong and much better than the Board's previous experience of outsourcing. Accordingly, the Committee concluded that the continuing appointment of IAML as Company Secretary was in the best interests of the Company and its shareholders to which the Board agreed.

## **Directors**

### **Disclosable Interests**

The Directors' interests in the ordinary share capital of the Company are disclosed in the Directors' Remuneration Report on page 51.

No Director was a party to, or had any interests in, any contract or arrangement with the Company at any time during the year or at the year end. The Company has entered into a Deed of Indemnity with each Director, as expanded upon below.

### **Directors' Indemnification and Insurance**

The Company maintains Directors' and Officers' liability insurance which provides appropriate cover for any legal action brought against its Directors. In addition, deeds of indemnity have been executed on behalf of the Company for each of the Directors under the Company's Articles of Association.

Subject to the provisions of UK legislation, these deeds provide that the Directors may be indemnified out of the assets of the Company in respect of liabilities they may sustain or incur in connection with their appointment.

### **Conflicts of Interest**

A Director must avoid a situation where he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the Company's interests.

The Articles of Association of the Company give the Directors authority to approve such situations and include other provisions to allow conflicts of interest to be resolved.

The Directors have declared any potential conflicts of interest to the Company. The Register of Potential Conflicts of Interests is kept at the registered office of the Company. It is reviewed regularly by the Board and Directors are obliged to advise the Company Secretary as soon as they become aware of any potential conflicts of interest. Directors who have potential conflicts of interest will not take part in any discussions which relate to any of their potential conflicts.

## **Capital Structure**

### **Capital Structure, including Share Buybacks**

As at 30 April 2025, the Company's issued share capital consisted of 204,853,151 ordinary shares of 10p each, with a further 12,766,594 shares held in treasury. As part of the combination, the Company issued 142,619,864 new Ordinary shares on 13 February 2025, for which authority was granted by shareholders at the general meeting of the Company held on 16 January 2025. As a result the Company has the authority to issue new shares and to buy back shares into treasury or for cancellation. The annual resolutions to renew these authorities are set out on page 42 and include the Board's reasons for requesting shareholder permission. During the year the Company bought back into treasury 3,675,000 ordinary shares at an average price of 334.06p. As at 16 July 2025, since the year end 1,060,000 shares have been bought back into treasury at an average price of 339.21p. Further details of the Company's share capital are set out in note 13 to the financial statements on pages 72 and 73.

### **Rights Attaching to the Ordinary Shares**

Under the Company's Articles of Association, shares in the Company may be issued with such rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination, as the Directors may determine).

At a general meeting of the Company every member has one vote on a show of hands and on a poll one vote for each ordinary share held. The notice of general meeting specifies deadlines for exercising voting rights either by proxy or present in person in relation to resolutions to be passed at a general meeting.

### **Restrictions on Transfers**

The Directors may refuse to register any transfer of any ordinary share which is not a fully paid share, although such discretion may not be exercised in a way which the FCA regards as preventing dealings in the ordinary class from taking place on an open or proper basis. The Directors may likewise refuse to register any transfer of an ordinary share in favour of more than four persons jointly.

The Company is not aware of any other restrictions on the transfer of ordinary shares in the Company other than certain restrictions that may from time to time be imposed by laws and regulations (for example insider trading laws). The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities or voting rights.

## Substantial Holdings in the Company

The Company had been notified of the following holdings of 3% and over of the Company's issued ordinary share capital carrying unrestricted voting rights:

Fund Manager/Registered Holder	As at 30 June 2025		As at 30 April 2025		As at 30 April 2024
	Shares	%	Shares	%	%
City of London Investment Management	50,834,756	24.93	50,656,885	24.7	18.9
Lazard Asset Management	18,844,413	9.24	19,241,600	9.4	12.0
Allspring Global Investments <sup>(2)</sup>	16,531,071	8.11	19,093,881	9.3	6.7
Interactive Investor <sup>(EO)</sup>	15,983,199	7.84	15,910,962	7.8	6.2
Evelyn Partners <sup>(1)</sup>	10,181,345	4.99	10,204,386	5.0	10.7
Rathbones	13,144,298	6.45	7,957,530	3.9	Under 3%
Hargreaves Lansdown <sup>(EO)</sup>	8,269,175	4.05	8,196,455	4.0	6.0

(1) Formerly known as Smith & Williamson Wealth Management.

(2) Formerly known as Wells Capital Management.

(EO) Execution Only.

## Disclosure Required by UK Listing Rule

### 6.6.1R

The above rule requires listed companies to report certain information in a single identifiable section of their annual financial reports. The Company confirms that there were no other relevant events for the year to 30 April 2025.

## Audit Information

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware, and each Director has taken steps that he or she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

## Greenhouse Gas Emissions

The Company has no employees or premises and does not purchase electricity, heat, steam or cooling for its own use. Accordingly, the quantifiable amount of carbon dioxide equivalent produced by the Company annually is zero tonnes.

## Annual General Meeting ('AGM')

Shareholders will find on page 80 to 83 the Notice of the forthcoming AGM of the Company to be held on 18 September 2025. The following resolutions are proposed as ordinary business and are summarised below.

### Ordinary Business:

**Ordinary Resolution 1** is for members to receive this Annual Financial Report for the year ended 30 April 2025, including the financial statements and Auditor's Report.

**Ordinary Resolution 2** is for members to approve the Company's Dividend Payment Policy which is set out on page 2. This is an advisory vote.

**Ordinary Resolution 3** is to approve the Annual Statement and Report on Remuneration for the year ended 30 April 2025.

**Ordinary Resolutions 4 to 11** deal with the election and re-election of Directors. The Directors of the Company and their brief biographical details are set out on pages 37 and 38. The skills and experience that each Director brings to the Board, and hence why their contributions are important to the long-term success of the Company, are summarised below and in the biographical details referred to above.

**Ordinary Resolution 4** is for the re-appointment of Neil Rogan as a director of the Company. Having served on the Board for under eight years, Neil remains a fully independent non-executive director. Neil brings investment trust, Asian, investment management and Chair experience to the Board.

**Ordinary Resolution 5** is for the re-appointment Vanessa Donegan as a director of the Company. Having served on the Board for under six years, Vanessa remains a fully independent non-executive director. Vanessa brings significant fund management experience of investing institutional and retail portfolios in Asian stock markets to the Board.

**Ordinary Resolution 6** is for the re-appointment of Myriam Madden as a director of the Company. Having served on the Board for under four years, Myriam remains a fully independent non-executive director. Myriam brings to the Company recent and relevant financial experience.

**Ordinary Resolution 7** is for the re-appointment of Sonya Rogerson as a director of the Company. Having served on the Board for under three years, Sonya remains a fully independent non-executive director. Sonya brings extensive legal, compliance, governance and risk management experience to the Board.

**Ordinary Resolutions 8 to 11** are for the appointment of Matthew Dobbs, Susan Sternglass Noble, Nicole Yuen and James Will who joined the Board on 14 February 2025 following completion of the combination.

**Ordinary Resolution 8** is for the appointment of Matthew Dobbs as a director of the Company. Matthew brings significant investment insight, and regional experience, to the Board and has excellent knowledge of the investment management sector.

**Ordinary Resolution 9** is for the appointment of Susan Sternglass Noble as a director of the Company. Susan brings extensive investment, industry and corporate governance expertise to the Board.

**Ordinary Resolution 10** is for the appointment of James Will as a director of the Company. James brings significant investment trust and legal and regulatory experience to the Board.

**Ordinary Resolution 11** is for the appointment of Nicole Yuen as a director of the Company. Nicole brings significant expert investment insight and knowledge of Asia and in particular the Greater China region to the Board.

**Ordinary Resolution 12** is to re-appoint Ernst & Young LLP as auditor of the Company.

**Ordinary Resolution 13** is to authorise the Audit Committee to determine the remuneration of the auditor.

## Special Business

To consider and, if thought fit, to pass the following resolutions of which resolution 14 will be proposed as an ordinary resolution and resolutions 15 to 18 as special resolutions:

**Ordinary Resolution 14** is to renew the Directors' authority to allot shares. Your Directors are seeking authority to allot new ordinary shares up to an aggregate nominal value of £2,037,931 (10% of the Company's issued share capital as at 15 July 2025). This will allow Directors to issue shares within the prescribed limits should opportunities to do so arise that they consider would be in shareholders' interests. This authority will expire at the AGM in 2026.

**Special Resolution 15** is to renew the authority to disapply pre-emption rights. Your Directors are asking for authority to issue new ordinary shares for cash up to an aggregate nominal value of £2,037,931 (10% of the Company's issued share capital as at 15 July 2025), disapplying pre-emption rights. This will allow shares to be issued to new shareholders without them first having to be offered to existing shareholders, thus broadening the shareholder base of the Company. This authority will not be exercised at a price below NAV so the interests of existing shareholders are not diluted and will expire at the AGM in 2026.

**Special Resolution 16** is to renew the authority for the Company to purchase its own ordinary shares. Your Directors are seeking authority to purchase up to 30,548,593 ordinary shares (14.99% of the Company's issued ordinary share capital as at 15 July 2025), subject to the restrictions referred to in the Notice of the AGM. This authority will expire at the AGM in 2026. Your Directors are proposing that ordinary shares bought back by the Company either be cancelled or, alternatively, be held as treasury shares with a view to their resale, if appropriate, or later cancellation. Any resale of treasury shares will only take place on terms that are in the best interest of shareholders.

**Special Resolution 17** is to permit the Company to hold general meetings (other than AGMs) on 14 days' notice, which is the minimum notice period permitted by the Companies Act 2006. The EU Shareholder Rights Directive increases the minimum notice period to 21 days unless two conditions are met. The first condition is that the company offers facilities for shareholders to vote by electronic means. The second condition is that there is an annual resolution of shareholders approving the reduction in the minimum notice period from 21 days to 14 days, hence this resolution being proposed. It is intended that this flexibility will be used only where the Board believes it is in the interests of shareholders as a whole.

**Special Resolution 18 - Cancellation of Share Premium Account**  
As noted in the Chairman's statement on page 9, the Company's share premium account is a non-distributable reserve and the Company is therefore unable to use the amount standing to the credit of this account for the purpose of, among other things, making purchases of its shares and other distributions to shareholders, including the payment of dividends. The Company's share premium account arose following the issue of shares in connection with the combination with DGN which completed on 13 February 2025.

However, the Company's Act 2006 does permit the Company (subject to the approval of shareholders and the subsequent approval by the Court) to cancel or reduce its share premium account and credit the resulting sum (less an amount equal to certain of the Company's liabilities as at the date of the Court's approval) to the Company's distributable reserves.

This will improve the Company's distributable reserves position and will provide the Company with flexibility to support, amongst other things, the purchase of the Company's shares and facilitating other distributions to shareholders in the future, including the payment of dividends.

Accordingly, resolution 18 seeks shareholder approval to cancel the entire amount standing to the credit of the Company's share premium account. Subject to confirmation by the Court and the cancellation taking effect, the amount so cancelled will be credited to the Company's distributable reserves.

The cancellation of the Company's share premium account will have no impact on the value of your shares and will merely ensure that the Company has increased distributable reserves available to undertake purchases of its own shares or other distributions to shareholders in the future. The Board believes this action is in shareholders' interests and recommends that you vote in favour of the resolution.

By order of the Board

**Invesco Asset Management Limited**  
Corporate Company Secretary

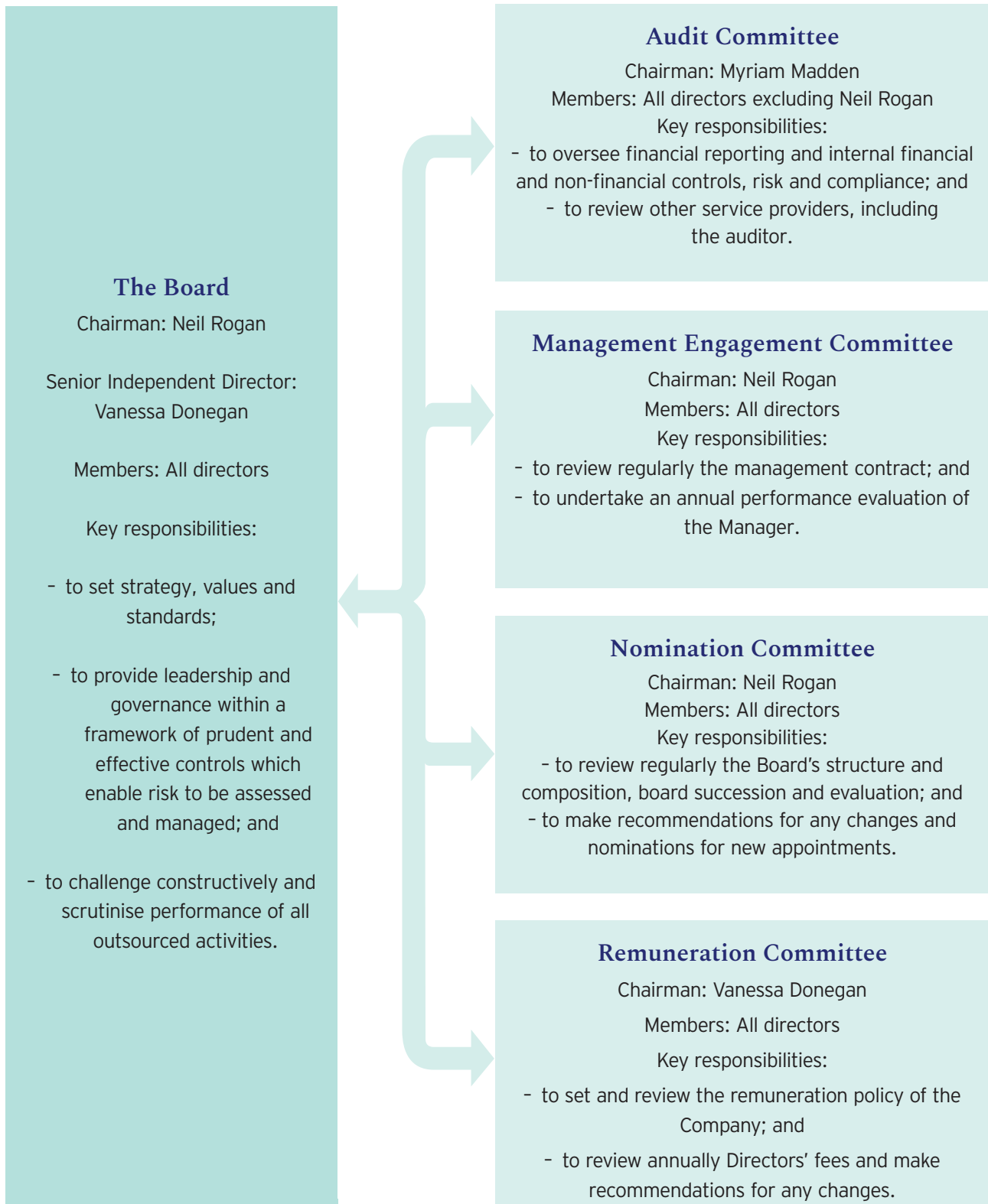
Perpetual Park  
Perpetual Park Drive  
Henley-on-Thames  
Oxfordshire  
RG9 1HH

16 July 2025

# The Company's Corporate Governance Framework

## The Board and Committees

Responsibility for good governance lies with the Board. The governance framework of the Company reflects the fact that as an Investment Company it has no employees and outsources investment management and administration to the Manager and other external service providers.



# Corporate Governance Statement

## FOR THE YEAR ENDED 30 APRIL 2025

This Corporate Governance Statement forms part of the Directors' Report.

### Corporate Governance Principles

The Board is committed to maintaining the highest standards of Corporate Governance and is accountable to shareholders for the governance of the Company's affairs.

The Board of Invesco Asia Dragon Trust plc has considered the principles and recommendations of the AIC Code of Corporate Governance ('AIC Code'). The AIC Code addresses all the principles set out in the UK Corporate Governance Code ('UK Code'), as well as setting out additional principles and recommendations on issues that are of specific relevance to investment trusts.

The AIC Code is available from the Association of Investment Companies website ([www.theaic.co.uk](http://www.theaic.co.uk)). The UK Code is available from the Financial Reporting Council's ('FRC') website ([www.frc.org.uk](http://www.frc.org.uk)).

The Company has complied with the recommendations of the AIC Code and the relevant provisions of the UK Code, except as set out below.

The UK Code includes provisions relating to:

- the role of the chief executive;
- engagement with the workforce;
- executive directors' remuneration; and
- the need for an internal audit function.

For the reasons set out in the AIC Code, and as explained in the UK Code, the Board considers these provisions are not relevant to the position of Invesco Asia Dragon Trust plc, being an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties, whilst the Manager has its own internal audit function. The Company has therefore not reported further in respect of these provisions.

Information on how the Company has applied the principles of the AIC Code and the UK Code is provided in the Directors' Report as follows:

The composition and operation of the Board and its committees are detailed on pages 43 to 46, and pages 48 and 49 in respect of the Audit Committee.

The Company's approach to internal control and risk management is detailed on page 46.

The contractual arrangements with, and assessment of, the Manager are summarised on pages 39 and 40.

The Company's capital structure and voting rights are summarised on page 40.

The most substantial shareholders in the Company are listed on page 41.

The rules concerning the appointment and replacement of directors are contained in the Company's Articles of Association

and are discussed on page 45. There are no agreements between the Company and its directors concerning compensation for loss of office.

Powers to issue or buy back the Company's shares require annual approval by shareholders. Any amendments to the Company's Articles of Association may require a resolution to be passed by shareholders.

### The Board

At the date of this report the Board has eight Directors, all of whom the Board regards as independent with no conflicting relationships. During the year, Matthew Dobbs, Susan Sternglass Noble, James Will and Nicole Yuen joined the Board from Asia Dragon Trust plc on completion of the combination on 14 February 2025. The Directors have a range of business, legal, financial and asset management skills and experience relevant to the direction and control of the Company. Brief biographical details of members of the Board are shown on pages 37 and 38.

When considering the independence of directors, the Board takes into account their experience and whether a Director is independent in character and judgement. The Board considers that all Directors are independent of the Company's Manager.

### Chairman

The Chairman of the Board is Neil Rogan. Mr Rogan was appointed to the Board on 1 September 2017 and became Chairman on 31 July 2018.

### Senior Independent Director

Vanessa Donegan was appointed as Senior Independent Director on 8 September 2022. She is available to shareholders if they have concerns where contact through the normal channels of Chairman, Manager or Company Secretary have failed to resolve or for which such contact is inappropriate.

### Board Function

The Board meets five times each year and additional meetings are arranged as necessary. Regular contact is maintained between the Manager, the Chairman and the other Directors between formal meetings. Board meetings follow a formal agenda, which includes a review of the investment portfolio with a report from the Manager on the current investment position and outlook, strategic direction, ESG, performance against stock market indices and the Company's peer group, asset allocation, gearing policy, cash management, revenue forecasts for the financial year, marketing and shareholder relations, corporate governance, regulatory and industry changes and other issues. To enable the Directors to fulfil their roles, Directors have timely access to all relevant management, financial and regulatory information.

### Committees

The membership and key responsibilities of the individual nomination, remuneration, management engagement and audit committees are set out in the Company's Corporate Governance Framework on page 43. All the Committees have written terms of reference which are reviewed regularly and clearly define their responsibilities and duties. They will be available for inspection at the AGM and can be inspected at the registered office of the Company as well as on the Company's page of the Manager's website.

## Nomination Committee

The Nomination Committee is responsible for identifying and nominating to the Board suitable candidates taking into consideration any identified requirements, the benefits of diversity and the ability of any new director to devote sufficient time to the Company to carry out his or her own duties effectively. The Board has complied with the targets set out in the FCA's Listing Rule 9.8.6R (9)(a). Further details can be found on pages 34 and 35.

All Directors are members of the Nomination Committee under the chairmanship of Neil Rogan. The Committee met once during the year to review succession planning and Board evaluation. During the year the Committee reviewed the performance of the Chairman, the Board and its sub-committees. Succession planning was also reviewed taking into consideration the skills and tenure of the Directors.

No Director has a contract of employment with the Company. Directors' terms and conditions of appointment are set out in letters of appointment which are available for inspection at the registered office of the Company, on the Company's section of the Manager's website and will also be available at the AGM.

## Appointment, Re-election and Tenure of Directors

New Directors are appointed by the Board, following recommendation by the Nomination Committee. The Articles of Association require that a Director shall be subject to election at the first AGM after appointment, and re-election at least every three years thereafter. However, the Board has resolved that all Directors shall stand for annual re-election at the AGM. An outline of the reasons why each Director's contribution and skills continue to be important to the Company's long-term sustainable success are included on page 41.

On being appointed to the Board, Directors are fully briefed as to their responsibilities and are regularly provided throughout their terms in office with all necessary information on industry and regulatory matters. The Manager and the Board have formulated a programme of induction training for newly appointed Directors. They have also put arrangements in place to address ongoing training requirements of Directors, including briefings from key members of the Manager's staff which ensure that Directors can keep up to date with new regulation, best practice and the changing risk environment.

A Director's tenure of office will normally be a maximum nine years, except that the Board may determine otherwise if it is considered that the continued service on the Board of an

## Attendance at Board and Committee Meetings

The following table sets out the number of scheduled Directors' meetings (including Committee meetings) held during the year ended 30 April 2025 and the number of meetings attended by each Director.

Meeting:	Board	Audit Committee	Management Engagement Committee	Remuneration Committee	Nomination Committee
<b>Scheduled Meetings Held<sup>(1)</sup>:</b>	5	3	1	1	1
<b>Meetings Attended:</b>					
Neil Rogan <sup>(2)</sup>	5	3	1	1	1
Vanessa Donegan	5	3	1	1	1
Myriam Madden	5	3	1	1	1
Sonya Rogerson	5	3	1	1	1
Matthew Dobbs <sup>(3)</sup>	1	1	1	-	-
Susan Sternglass Noble <sup>(3)</sup>	1	1	1	-	-
James Will <sup>(3)</sup>	1	1	1	-	-
Nicole Yuen <sup>(3)</sup>	1	1	1	-	-

(1) Additional ad-hoc meetings of the Board and standing committees of the Board were held to deal with time sensitive matters including dividend declarations and the combination.

(2) Neil Rogan is not a member of the Audit Committee but may attend by invitation.

(3) Appointed to the Board on 14 February 2025.

individual Director is in the best interests of the Company and its shareholders. The Chairman's tenure of office will also normally be for up to nine years, except that the Board may determine otherwise if it is considered that the continued service on the Board of a Chairman, who has in addition served a period of time as a Director, is in the best interests of the Company and its shareholders. As such, it is intended that Neil Rogan will retire from the Board no later than the 2026 AGM after having served the Company for nine years. The Board considers that this approach encourages its regular refreshment and is conducive to fostering diversity of its constituents.

## Board, Committees and Directors' Performance Appraisal

The Directors recognise the importance of the AIC Code's recommendations in respect of evaluating the performance of the Board as a whole, of the respective Committees and of individual Directors. Performance of the Board, Committees and Directors has been assessed during the year in terms of:

- attendance at Board and Committee meetings;
- the independence of individual Directors;
- the ability of Directors to make effective contributions to the Board and Committees through the range and diversity of skills, experience and knowledge each Director brings to their roles; and
- the Board's ability to challenge the Manager's recommendations, suggest areas of debate and set the future strategy of the Company.

The Board has conducted its performance evaluation through formal questionnaires and discussion between the Directors and the Chairman/Senior Independent Director respectively via the new Board evaluation tool BoardForms. The performance of the Chairman is evaluated annually, with discussion of his performance led by the Senior Independent Director, who in turn provides the Chairman with feedback. The employment of an external consultant, Lintstock, for the purposes of performance evaluation was last carried out in 2023 and shall be considered by the Board at a future date. The results of the most recent evaluation concluded that the Chairman, Board and Committees of the Board are effective, as are individual Directors. The Directors continue to provide a wide range of experience from different professional backgrounds, continue to make valuable contributions and demonstrate commitment to their respective roles. In the Board's considered view, all Directors were independent.

## Remuneration Committee

The Directors' Remuneration Policy was reviewed by the Committee during the year and is set out in full in the Directors' Remuneration Report. The Committee also reviewed the Directors' annual fee rates during the year, taking into account the work undertaken by Directors as well as peer group and industry comparatives. The Committee agreed to increase the Directors' remuneration. Further details can be found in the Directors' Remuneration Report on page 50. As part of its review, the Committee considered the appointment of an external consultant but was satisfied that this was not required due to the quality of the market information provided to the Committee by the Manager.

## Board Responsibilities

The Board has overall responsibility for the Company's affairs. Directors have a duty to promote the success of the Company taking into consideration the likely consequences of any decision in the long-term; the need to foster the Company's business relationships with its Manager and advisers; the impact of the Company's operations on the community and the environment; the desirability of the Company maintaining a reputation for high standards of business conduct; and the need to act fairly as between shareholders of the Company. This is reported in the Strategic Report on pages 32 to 34. The Directors are equally responsible for promoting the success of the Company by directing and supervising its affairs within a framework of effective controls which enable risk to be assessed and managed. In addition, the Directors are responsible for ensuring that their policies and operations are in the best interests of all of the Company's shareholders and that the interests of creditors and suppliers to the Company are properly considered.

The Board is committed to the prevention of corruption in the conduct of the Company's affairs and, taking account of the nature of the Company's business and operations, has put in place procedures that the Board considers adequate to prevent persons associated with it from engaging in bribery for and on behalf of the Company and has a zero tolerance approach towards the criminal facilitation of tax evasion. In addition, the Board is responsible for ensuring that the Company's policies and activities are in the interests of the Company's shareholders and that the interests of creditors and suppliers to the Company are properly considered. The long-term success of the Company is promoted by directing and supervising its affairs within a framework of effective controls which enable risk to be assessed and managed.

A formal schedule of matters reserved for decision by the Board and responsibilities of the Board is available at the Company's registered office and on the Company's section of the Manager's website at [www.invesco.co.uk/invescoasia](http://www.invesco.co.uk/invescoasia). The main responsibilities include: setting the Company's objectives, policies and standards; ensuring that the Company's obligations to shareholders and others are understood and complied with; approving accounting policies and dividend policy; managing the capital structure; setting long-term objectives and strategy; assessing risk and overseeing its mitigation, reviewing investment performance; approving loans and borrowing. The Board also seeks to ensure that shareholders are provided with sufficient information, in order to understand the balance between risk and reward to which they are exposed by holding the Company's shares, through the portfolio details given in the annual and half-yearly financial reports, factsheets and daily net asset value disclosures.

The Board meets on a regular basis, at least five times each year. Additional meetings are arranged as necessary. Board meetings follow a formal agenda which includes a review of the Company's discount, investment portfolio (with a report from the Manager on the current investment position and outlook), strategic direction, performance versus stock market indices and the Company's peer group, asset allocation, gearing policy, cash

management, revenue forecasts for the financial year, marketing and shareholder relations, corporate governance, regulatory changes, industry best practice and other issues.

To enable the Directors of the Board to fulfil their roles, Directors have timely access to all relevant management, financial and regulatory information.

There is an agreed procedure for Directors, in the furtherance of their duties, to take legal advice at the Company's expense up to an initial cost of £10,000, having first consulted the Chairman.

## Internal Control and Risk Management

The Directors acknowledge that they are responsible for the Company's systems of internal financial and non-financial controls which have been in place throughout the year and up to the date of this report. The control systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate the risk of failure to achieve business objectives.

Details of the Company's internal control and risk management are set out on pages 26 to 31. The Directors consider that the Company's internal control and risk management systems enable the Company to comply with the FRC's guidance on such.

## Accountability and Audit

The Directors' responsibilities for the Company's accounting records and financial statements are set out on page 53. The Independent Auditor's Report appears on pages 56 to 62.

## Audit Committee

The composition and activities of the Audit Committee are set out in the Audit Committee Report on pages 48 and 49, and are included in this report by reference.

## Management Engagement Committee

All Directors are members of the Committee. The Committee meets annually to review the investment management agreement with the Company's Manager and to review the services provided by the Manager.

During the year the Committee reviewed the performance of the Portfolio Managers against the Company's benchmark and peer group as well as the administration services provided by the Manager including company secretarial. In addition, investment management fees were reviewed against those in the peer group and other comparative products. The Committee recommended the continuing appointment of the Manager and Company Secretary on the same terms. The basis of the Committee's assessment is set out in detail on pages 39 and 40.

## Relations with Shareholders

Shareholder relations are given high priority by both the Board and the Manager. The prime medium by which the Company communicates with shareholders is through the Half-Yearly and Annual Financial Reports which aim to provide shareholders with a full understanding of the Company's activities and results. This information is supplemented by the daily calculation of the net asset value of the Company's ordinary shares, which is published via the London Stock Exchange and in the monthly factsheets. Shareholders are encouraged to attend the AGM and hear a presentation by the Portfolio Managers and have the opportunity to address questions to the Chairman and the Chairs of the Committees of the Board following the formal business of the AGM.

There is regular dialogue between the Manager and major shareholders to discuss aspects of investment performance, governance and strategy and to listen to shareholder views in order to help to develop a balanced understanding of their issues and concerns. In addition, the Company retains the services of

Kepler Partners LLP and Edison Investment Research, marketing and research specialists that broaden the awareness of the Company's activities across a spectrum of regionally-based discretionary wealth managers. General presentations to both institutional shareholders and analysts follow the publication of the Annual Financial results. All meetings between the Portfolio Managers and institutional and other shareholders are reported to the Board. It is the intention of the Board that the Annual Financial Report be issued to shareholders so as to provide 20 working days' notice of the AGM. Shareholders wishing to lodge questions in advance of the AGM should do so by email to the Company Secretary at [investmenttrusts@invesco.com](mailto:investmenttrusts@invesco.com) or, by letter, to 60 London Wall, London EC2M 5TQ.

The Company Secretary ensures that all correspondence addressed to the Company, other than junk mail, is reported to the Board and dealt with in a timely manner.

Shareholders can also visit the Company's page of the Manager's website in order to access copies of annual and half-yearly financial reports, pre-investment information, key information document, shareholder circulars, factsheets and stock exchange announcements. Shareholders can also access various Company reviews and information such as an overview of Asian equities and the Company's share price. Finally, shareholders are able to access copies of the schedule of matters reserved for the Board, terms of reference of the Board committees and, following any shareholders' general meetings, proxy voting results.

By order of the Board

**Invesco Asset Management Limited**

Corporate Company Secretary

Perpetual Park  
Perpetual Park Drive  
Henley-on-Thames  
Oxfordshire  
RG9 1HH

16 July 2025

# Audit Committee Report

## FOR THE YEAR ENDED 30 APRIL 2025

The Audit Committee is chaired by Myriam Madden. All directors, with the exception of the Chairman of the Board, are members of the Audit Committee. Whilst the Chairman of the Board is not a member of the Audit Committee, they may attend by invitation. The Committee members consider that, collectively, they are appropriately experienced to fulfil the role required.

### Audit Committee Responsibilities and Activities

The Committee met three times during the year and the main duties undertaken included:

- consideration of the Manager's internal control systems and risk management systems and their effectiveness;
- a review of the Company's risk control summary matrix and consideration of the completeness of the identified risks, the categories of risk faced by the Company, the probability of their occurrence and the residual effect on the Company after taking account of controls. These controls included those established by the Board as well as those exercised by the Manager and the Company's other external service providers. An exercise to identify significant emerging risks relevant to the Company was also undertaken during the year;
- consideration of the assurance provided by the Manager's internal audit and compliance departments including the scope of work undertaken, together with reviews of the Company's procedure for detecting fraud and the Manager's whistleblowing arrangements;
- the review of the Company's depository, independent control reports from the third party providers and specific reports on information and cyber security risks.

- consideration of the annual and half-yearly financial reports ensuring compliance with relevant statutory and listing requirements; appropriateness of accounting policies applied; any financial judgements and key assumptions; and disclosures made therein in relation to internal controls and risk management, going concern and the long term viability of the Company;
- to consider and advise the Board on whether the annual report as a whole is fair, balanced and understandable and provides the necessary information for shareholders to assess the Company's position and performance, business model and strategy; and
- management of the relationship with the external auditor. This included: the scope, nature and planning of the audit; discussion of matters for audit focus; evaluation of the results identified in the auditor's reports; consideration of the effectiveness, independence and objectivity of their audit; recommendation to the Board in respect of the auditor's appointment for the year ended 30 April 2025 and for the terms of their audit engagement.

Representatives of the auditor attended the Committee meeting at which the draft Annual Financial Report was reviewed and were given the opportunity to speak to Committee members without the presence of representatives of the Manager. The Committee met with representatives of the Manager and received reports on the quality and effectiveness of the accounting records and management information maintained on behalf of the Company and the systems of internal controls in place. Representatives of the Manager's Compliance and Internal Audit departments provide assurance to the Committee, by attending meetings and reporting updates, one meeting being prior to approval and signature of the Annual Financial Report. The Committee has direct access to the depository which provided its report to the Committee at a meeting to discuss the Annual Financial Report.

### Accounting Matters and Significant Issues

The table below describes the significant issues considered by the Audit Committee in relation to the financial statements for the year ended 30 April 2025, and how these were addressed.

Significant Issue	How Addressed
Proof of the existence and ownership of the Company's investments and cash	During the year holdings are reconciled by the Manager to the custodian records on a daily basis. The Committee reviewed the Manager's and custodian's independently audited service organisation control reports. The depository also undertakes their own independent monthly reconciliations.
Valuation of investments	Actively traded listed investments are valued using stock exchange prices provided by third party pricing vendors in line with the accounting policy stated in note 1(c)(v) on page 68. On a periodic basis the depository independently checks the valuation of the portfolio and would notify the Committee of any significant issues. No such issues arose in the year.

Significant Issue	How Addressed
-------------------	---------------

Combination with Asia Dragon Trust plc

Significant work was undertaken by the Committee in relation to the financial elements of the combination during the year under review. These activities included:

- the review of the detailed scope, terms of appointment and fees for the reporting accountants appointed to act for the Company in relation to the transaction, Johnston Carmichael LLP;
- the review of the outcome of the work that Johnston Carmichael undertook on the model used to support the fair value calculations;
- review of the financial model to assess the costs and financial implications of the proposed combination and review of the valuation methodology;
- the Committee also assessed the impact of the combination on the ongoing risk management framework, including assessing implementation risk as the transaction progressed and the short term implementation risk following the completion of the transaction; and
- in the preparation of the report and accounts, the Committee considered the accounting for the combination, including the new management fee arrangements including the treatment of cost contribution.

Throughout the year under review, the Board as a whole considered all information relating to the combination and it was the Board as a whole that made all decisions relating to the combination.

These matters were discussed with the Manager and the auditor and were satisfactorily addressed through consideration of reports provided by, and discussed with, the Manager and the auditor at the conclusion of the audit process. There were no significant matters arising from the audit that needed to be brought to the Board's attention.

Consequently, and following a thorough review process of the 2025 Annual Financial Report, the Audit Committee advised the Board that the report taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

### Review of the External Auditor and Audit Tender

As reported in the Annual Financial Report for the year ended 30 April 2024, following a competitive audit process, Ernst & Young LLP ('EY') were appointed as auditor of the Company on 24 January 2025 and this is therefore their first year auditing the Company's Annual Financial Report. Matthew Price was appointed Audit Partner for the 2025 year end.

The Committee evaluated the independence, performance and effectiveness of EY and the competitiveness of its fee during the year to 30 April 2025. This included discussions with the Manager and review of the audit planning, execution and reporting, the quality of the audit work and the auditor's independence. Following this evaluation the Committee confirmed that the quality of audit service provision was satisfactory. Accordingly a resolution to re-appoint EY for the year ending 30 April 2026 and for the Audit Committee to determine their remuneration will be put to shareholders at the forthcoming AGM.

### Policy on non-audit services

In accordance with the FRC's Ethical Standards, the Company's policy prohibits the majority of non-audit services and requires all non-audit services which are closely linked to the audit itself or required by law or regulation to be approved in advance by the Audit Committee. Prior to any engagement, the Audit Committee would consider whether the skills and experience of the auditor make them a suitable supplier of such services and ensure that there is no threat to objectivity and independence in the conduct of the audit as a result.

No fees were paid or payable to the auditor for non-audit services in the year under review (2024: £nil).

### Internal Controls and Risk Management

Details of the Company's internal control and risk management, and the work undertaken by the Audit Committee with respect to them, are set out on pages 26 to 31.

### Internal Audit

Due to the nature of the Company, being an externally managed investment company with no executive employees, and in view of the Manager having an internal audit function, the Company does not have its own internal audit function. The Committee receives and reviews reports from the Manager's Internal Audit department.

### Committee Evaluation

The Committee's activities formed part of the review of Board effectiveness performed in the year. Details of this process can be found under 'Board, Committees and Directors' Performance Appraisal' on page 45.

### The Competition and Markets Authority Order

The Company complied throughout the year ended 30 April 2025 with the provisions of the Statutory Audit Services Order 2014, issued by the Competition and Markets Authority.

Yours faithfully,

**Myriam Madden**  
Chairman of the Audit Committee

16 July 2025

# Directors' Remuneration Report

## FOR THE YEAR ENDED 30 APRIL 2025

This report has been prepared under the requirements of the Large and Medium-sized Companies and Group (Accounts and Reports) (Amendments) Regulations 2013 and in accordance with the Listing Rules of the FCA. A resolution for the approval of the Annual Statement and Report on Directors' Remuneration (advisory) will be put to shareholders at the forthcoming AGM.

The Company's auditor is required to audit certain sections of the disclosures provided in this report. Where disclosures have been audited, they are indicated as such in this report. The independent auditor's opinion is included on pages 56 to 62.

### Remuneration Committee

All Directors are members of the Remuneration Committee under the Chairmanship of Vanessa Donegan. Details of the Remuneration Committee, including responsibilities and terms of reference, are contained within the Corporate Governance Statement on page 46.

### Directors' Remuneration Policy

The Directors' Remuneration Policy (the Policy) was last approved by shareholders at the AGM on 21 September 2023 and became effective on that date.

The Policy states that the remuneration of Directors should be fair and reasonable in relation to the duties, responsibilities and time commitment of Directors; be sufficient to retain and motivate appointees, as well as ensure that candidates of a high calibre are recruited to the Board but not be more than necessary for the purpose; and be comparable to that of other similar investment trusts. Furthermore the remuneration of Directors will also take into consideration any committee memberships and chairmanship duties, as well as taking into account the views, where raised and appropriate, of shareholders.

Fees for directors are determined by the Board within the limits stated in the Company's Articles of Association ('Articles'). The maximum currently dictated by the Company's Articles is £400,000 in aggregate per annum.

In addition to fees, Directors are entitled to be reimbursed for any reasonable expenses properly incurred by them in the performance of their duties. Directors are not eligible for bonuses, pension benefits, share options or other incentives or benefits. Directors are not entitled to exit payments or any compensation for loss of office. Directors do not have contracts of employment.

Directors' terms and conditions of appointment are set out in letters of appointment, copies of which are available for inspection at the registered office of the Company.

Notwithstanding the above, the Company's Articles also provide that additional discretionary payments can be made for services which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director.

The level of Directors' remuneration is reviewed annually, although such review will not automatically result in any changes.

This Policy will apply to any new directors, who will be paid the appropriate fee based on the Directors' fee levels in place at the date of appointment.

The Board may amend the level of remuneration paid to Directors within the parameters of the Directors' Remuneration Policy.

The Company has no employees and consequently has no policy on the remuneration of employees.

### Annual Statement on Directors' Remuneration

For the year to 30 April 2025, Directors were paid fees at the following rates: Chairman £43,400; Audit Chairman £37,200; and other Directors £31,000.

A review of Directors' fees is conducted annually by the Remuneration Committee taking into consideration the increasing demands and accountability of the corporate governance and regulatory environment and the fees of the comparable investment companies.

Based on information provided by the Manager, and industry research on the level of fees paid to the Directors of the Company's peers and within the Investment Trust industry generally, it was agreed to increase Directors' fees with effect from 1 May 2025 as follows: Chairman £47,000; Audit Chairman £40,000; Senior Independent Director £37,000; and other Directors £33,500.

The Board believes these fee levels properly reflect the time spent by the Directors on the Company's business and are at a level to ensure that candidates of a high calibre are recruited to the Board.

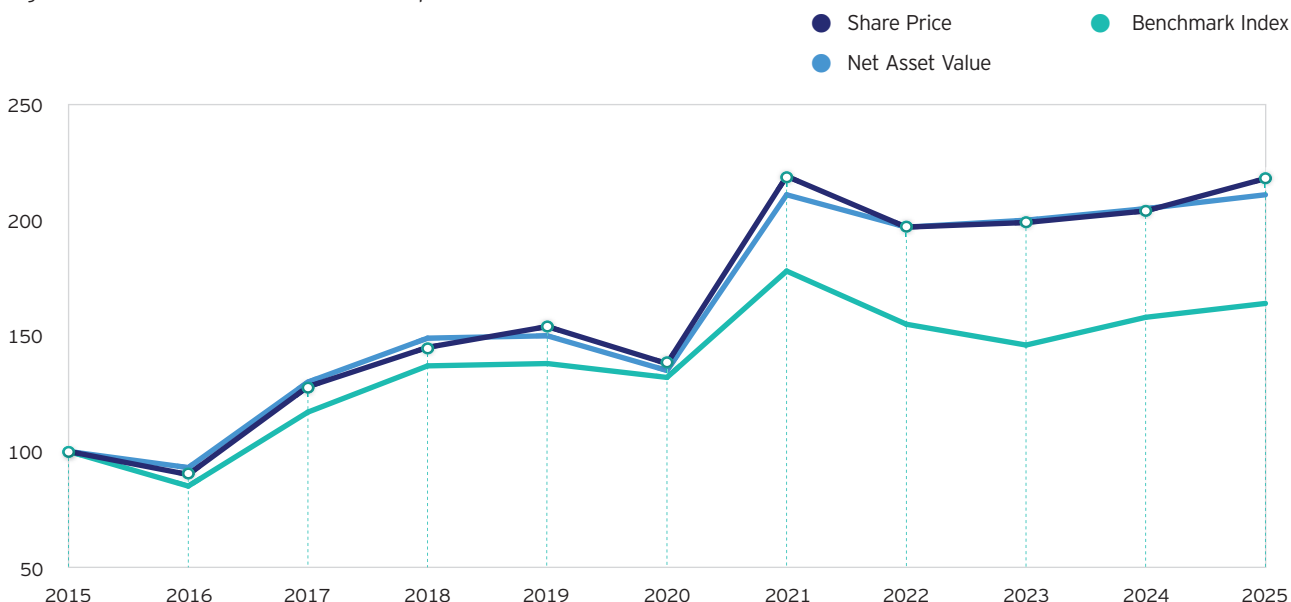
There were no other major decisions on directors' remuneration or any other changes to the remuneration paid to each individual director in the year under review. An external remuneration consultant was not used.

## Report on Remuneration for the Year Ended 30 April 2025

### The Company's Performance

The graph below plots, in annual increments, the net asset value total return and share price total return to ordinary shareholders compared to the total return of the composite benchmark (see definition of benchmark in the Glossary of Terms and Alternative Performance Measures on page 87), which was adopted by the Company for comparison purposes.

Figures have been rebased to 100 at 30 April 2015.



Source: LSEG Data & Analytics.

### Single Total Figure of Remuneration for the Year (Audited)

The single total figure of remuneration for each Director who served during the year is detailed below, together with the prior year comparative.

	2025			2024		
	Fees £	Taxable Benefits <sup>(1)</sup> £	Total £	Fees £	Taxable Benefits <sup>(1)</sup> £	Total £
Neil Rogan <sup>(2)</sup>	43,400	302	43,702	42,000	-	42,000
Vanessa Donegan <sup>(3)</sup>	31,000	-	31,000	30,000	-	30,000
Myriam Madden <sup>(4)</sup>	37,200	4,076	41,276	36,000	4,043	40,043
Sonya Rogerson	31,000	455	31,455	30,000	790	30,790
Matthew Dobbs <sup>(5)</sup>	6,441	-	6,441	-	-	-
Susan Sternglass Noble <sup>(5)</sup>	6,441	-	6,441	-	-	-
James Will <sup>(5)</sup>	6,441	650	7,091	-	-	-
Nicole Yuen <sup>(5)</sup>	6,441	8,410	14,851	-	-	-
<b>Total</b>	<b>168,364</b>	<b>13,893</b>	<b>182,257</b>	<b>138,000</b>	<b>4,833</b>	<b>142,833</b>

(1) Taxable benefits relate to the grossed up costs of travel.

(2) Chairman of the Board, Nomination Committee and Management Engagement Committee and highest paid director.

(3) Chairman of the Remuneration Committee and Senior Independent Director.

(4) Chairman of the Audit Committee.

(5) Appointed to the Board on 14 February 2025.

### Directors' Shareholdings and Share Interests (Audited)

The beneficial interests of the Directors in the ordinary share capital of the Company are set out below:

	30 April 2025	30 April 2024
Neil Rogan <sup>(1)</sup>	109,454	109,454
Vanessa Donegan	8,285	5,069
Myriam Madden	4,500	4,500
Sonya Rogerson	9,142	9,142
Matthew Dobbs <sup>(2)</sup>	45,000	-
Susan Sternglass Noble <sup>(2)</sup>	30,000	-
James Will <sup>(2)</sup>	13,000	-
Nicole Yuen <sup>(2)</sup>	-	-

(1) Neil Rogan has non-beneficial interest in 8,842 ordinary shares via connected persons.

(2) Appointed to the Board on 14 February 2025.

Save as aforesaid, no Director had any other interests, beneficial or otherwise, in the shares of the Company during the period.

Directors hold shares in the Company at their discretion. Share ownership is encouraged, but no guidelines have been set.

## Relative Importance of Spend on Pay

The Company has no employees. The following table compares the remuneration paid to the non-executive Directors with aggregate distributions to shareholders in respect of the year to 30 April 2025 and the prior year:

	2025 £'000	2024 £'000	Change £'000	Change %
Total Directors' remuneration	182	143	39	27.3
Total shareholder distributions in respect of the accounting year	15,580	9,387	6,193	66.0

## Annual Percentage Change in Directors' Remuneration

The table below sets out the annual percentage change in Directors' remuneration for the past four years.

	Year ended 30 April 2025 Fees %	Year ended 30 April 2024 Fees %	Year ended 30 April 2023 Fees %	Year ended 30 April 2022 Fees %
Neil Rogan	3.3	13.5	-	8.5
Myriam Madden <sup>(1)</sup>	3.3	20.0 <sup>(2)</sup>	127.8 <sup>(3)</sup>	n/a
Vanessa Donegan	3.3	11.1	-	7.1
Sonya Rogerson <sup>(4)</sup>	3.3	45.0 <sup>(5)</sup>	n/a	n/a
Matthew Dobbs <sup>(6)</sup>	n/a	n/a	n/a	n/a
Susan Sternglass Noble <sup>(6)</sup>	n/a	n/a	n/a	n/a
James Will <sup>(6)</sup>	n/a	n/a	n/a	n/a
Nicole Yuen <sup>(6)</sup>	n/a	n/a	n/a	n/a

(1) Appointed to the Board on 4 November 2021.

(2) The % increase reflects the completion of a full year in post as Chair of the Audit Committee and the increase in fees for all directors from 1 April 2023.

(3) Appointed Chair of the Audit Committee on 2 August 2022. The % increase reflects the completion of a full year in post as director, her change of role during the course of the year to 30 April 2023 and the additional fee associated with this position.

(4) Appointed to the Board on 26 July 2022.

(5) The % increase reflects the completion of a full year in post and the increase in fees for all directors from 1 April 2023.

(6) Appointed to the Board on 14 February 2025.

Subsequent to the year end, the Directors' fees were increased on 1 May 2025. Please refer to page 50 for further details.

## Voting at Last Annual General Meeting

At the Annual General Meeting of the Company held on 12 September 2024, resolutions approving the Annual Statement and Report on Remuneration were passed. The votes cast (including votes cast at the Chairman's discretion) were as follows:

Resolution	For	Votes against	Withheld
Annual Statement and Report on Remuneration	99.85%	0.15%	16,717

## Approval

This Directors' Remuneration Report was approved by the Board of Directors on 16 July 2025.

Signed on behalf of the Board of Directors

**Neil Rogan**  
Chairman

# Statement of Directors' Responsibilities

## IN RESPECT OF THE PREPARATION OF THE ANNUAL FINANCIAL REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Financial Report and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards, and applicable law, including FRS 102 *the Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website, which is maintained by the Company's Manager. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Responsibility Statement of the Directors in Respect of the Annual Financial Report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the issuer, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Financial Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Signed on behalf of the Board of Directors

**Neil Rogan**  
Chairman

16 July 2025





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# Independent Auditor's Report

TO THE MEMBERS OF INVESCO ASIA DRAGON TRUST PLC

## Opinion

We have audited the financial statements of Invesco Asia Dragon Trust Plc ("the Company") for the year ended 30 April 2025 which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet and the related notes 1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the Company's affairs as at 30 April 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's ('FRC') Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting the audit.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Confirming our understanding of the Company's going concern assessment process by engaging with the Directors and the Company Secretary to determine the factors that were considered in their assessment.
- Inspecting the Directors' assessment of going concern, including the revenue forecast and liquidity assessment, for the period to of at least 12 months from the date the financial statements are authorised for issue. In preparing the revenue forecast, the Company has concluded that it is able to continue to meet its ongoing costs as they fall due.
- Reviewing the factors and assumptions, including the impact of the current economic environment and other significant events that could give rise to market volatility, applied to the revenue forecast. We considered the appropriateness of the methods used to be able to make an assessment for the Company.
- Considering the mitigating factors included in the revenue forecast that are within the control of the Company. We reviewed the Company's assessment of the liquidity of investments held and evaluated the Company's ability to sell those investments to cover the working capital requirements should revenue decline significantly.
- Reviewing the Company's going concern disclosures included in the annual report in order to assess that the disclosures were appropriate and in conformity with the reporting standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

## Overview of our audit approach

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Key audit matters	<ul style="list-style-type: none"><li>■ Risk of incomplete or inaccurate revenue recognition, including the classification of special dividends as revenue or capital items in the Income Statement</li><li>■ Risk of incorrect valuation or ownership of the investment portfolio</li><li>■ Incorrect accounting for the transaction with Asia Dragon Trust plc</li></ul>
Materiality	<ul style="list-style-type: none"><li>■ Overall materiality of £7.30 million which represents 1% of net asset value</li></ul>

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## An overview of the scope of our audit

### Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls, including controls and changes in the business environment when assessing the level of work to be performed. All audit work was performed directly by the audit engagement team.

### Climate change

The Company has determined that the most significant future impacts from climate change on its operations will be from how climate change could affect the Company's investments and overall investment process. This is explained on pages 25 and 26 of the business review section, which form part of the "Other information", rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information".

Our audit effort in considering climate change was focused on the adequacy of the Company's disclosures in the financial statements as set out in note 1a and conclusion that there was no further impact of climate change to be taken into account as the investments are valued based on market pricing as required by FRS 102. We also challenged the Directors' considerations of climate change in their assessment of viability and associated disclosures.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p><b>Incomplete or inaccurate revenue recognition, including the classification of special dividends as revenue or capital items in the Income Statement</b> (as described on page 48 in the Audit Committee Report and as per the accounting policy set out on page 67).</p> <p>The total revenue for the year to 30 April 2025 was £12.68 million, consisting primarily of dividend income from listed equity investments.</p> <p>The Company recognised four special dividends amounting to £0.30 million, of which £0.23 million was classified as revenue and £0.07 million classified as capital.</p> <p>There is a risk of incomplete or inaccurate recognition of revenue through the failure to recognise proper income entitlements or to apply an appropriate accounting treatment.</p> <p>The Directors may be required to exercise judgement in determining whether income receivable in the form of special dividends should be classified as 'revenue' or 'capital' in the Income Statement.</p>	<p><b>We have performed the following procedures:</b></p> <p>We obtained an understanding of the processes and controls surrounding revenue recognition, including the classification of special dividends, by performing walkthrough procedures.</p> <p>For 100% of dividends received and accrued, we recalculated the dividend income by multiplying the investment holdings at the ex-dividend date, traced from the accounting records, by the dividend per share obtained from an independent data vendor. We agreed a sample of dividend receipts to bank statements. Where dividends are received or accrued in foreign currency, we translated the amount into the reporting currency of the Company using exchange rates sourced from an independent data vendor.</p> <p>For 100% of dividends accrued, we reviewed the investee company announcement to assess whether the dividend obligation arose prior to 30 April 2025 and agreed the receipts to post year end bank statements, where received.</p> <p>To test completeness of recorded income, we verified that all expected dividends for each investee company held during the year have been recorded as income with reference to investee company announcements obtained from an independent data vendor.</p> <p>For 100% of investments held during the year, we reviewed the type of dividends paid with reference to an external data vendor to identify those which were special and compared those identified to management's special dividend listing. We have identified four special dividends received during the year, of which three were classified as revenue and one was classified as capital. None of which is above our testing threshold. For the sample of two special dividends selected, we assessed the appropriateness of management's classification as revenue or capital by reviewing the underlying rationale for the distributions.</p>	<p>The results of our procedures identified no material misstatements in relation to incomplete or inaccurate revenue recognition, including incorrect classification of special dividends as revenue or capital items in the Income Statement.</p>

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p><b>Incorrect valuation or ownership of the investment portfolio</b> (as described on page 48 in the Audit Committee Report and as per the accounting policy set out on page 67).</p> <p>The valuation of the investment portfolio at 30 April 2025 was £772.23 million consisting primarily of listed investments.</p> <p>The Company's investment portfolio consists of main market listed equity investments which are held at fair value through profit or loss in line with the Company's accounting policy.</p> <p>The incorrect valuation of the investment portfolio, including incorrect application of exchange rates, could have a significant impact on the financial statements. In addition, there is a risk of misappropriation of assets and unsecured ownership of the investment portfolio.</p>	<p><b>We have performed the following procedures:</b></p> <p>We obtained an understanding of the processes and controls surrounding investment valuation and legal title of listed investments by performing walkthrough procedures.</p> <p>For 100% of investments in the portfolio, we compared the market prices to an independent pricing vendor and recalculated the investment valuations as at the year end.</p> <p>We inspected the stale pricing reports produced by the Administrator to identify prices that have not changed around the year end and verified that the listed price is a valid fair value through review of trading activity.</p> <p>We compared the Company's investment holdings at 30 April 2025 to an independent confirmation received directly from the Company's Custodian and Depository.</p>	<p>The results of our procedures identified no material misstatement in relation to the risk of incorrect valuation or ownership of the investment portfolio.</p>
<p><b>Incorrect accounting for the transaction with Asia Dragon Trust plc ('DGN')</b> (as described in the accounting policy set out on page 66).</p> <p>On the 14 February 2025, the Company issued new ordinary shares to DGN in consideration for the receipt by the Company of assets pursuant to a scheme of reconstruction and liquidation of DGN. The shares issued by the Company were transferred to those DGN shareholders who elected to receive shares in the Company in exchange for the shares they held in DGN. 142,619,864 new ordinary shares were issued for net proceeds of £544.77 million. The proceeds comprised an in specie-transfer of investments and cash.</p> <p>There is a risk that assets transferred from DGN to the Company are not recorded correctly. There is also a risk that the issuance of shares related to the transactions is incorrectly accounted for and incorrectly disclosed in the financial statements of the Company.</p>	<p><b>We have performed the following procedures:</b></p> <p>We have reviewed the formula asset value calculations and check the methodology of the calculation agrees to the scheme of reconstruction.</p> <p>We have agreed the number of shares issued pursuant to the transaction to the RNS announcements and agreed to the accounting records of the Company.</p> <p>We agreed the cash and investments transferred to the Company, as part of the transaction, to the accounting records of the Company. We revalued the investments transferred using market prices and exchange rates provided by an independent pricing vendor, and traced the cash transferred through bank statements.</p> <p>We have obtained a breakdown of transaction costs incurred by the Company related to the transaction and ensured that they have been appropriately accounted for and disclosed in the Statement of Changes in Equity in accordance with UK GAAP.</p> <p>We reviewed the disclosures in the annual report and financial statements to ensure the transaction was correctly accounted for, including the consideration whether the transaction represents a business combination.</p>	<p>The results of our procedures identified no material misstatements in relation to the risk of incorrect accounting for the transaction between the Company and Asia Dragon Trust plc.</p>

## Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

### Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be £7.30 million, which is 1% of net asset value. We believe that net asset value provides us with materiality aligned to the key measure of the Company's performance.

### Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 50% of our planning materiality, namely £3.65 million. We have set performance materiality at this percentage due to first year audit.

## Revenue Testing Threshold

Given the importance of the distinction between revenue and capital for investment trusts, we have also applied a separate testing threshold for the revenue column of the Income Statement of £0.56 million, being 5% of the revenue profit before taxation.

## Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.36 million, which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

## Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and Directors' reports have been prepared in accordance with applicable legal requirements;

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Corporate Governance Statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 39;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 32;
- Director's statement on whether it has a reasonable expectation that the group will be able to continue in operation and meets its liabilities set out on page 39;
- Directors' statement on fair, balanced and understandable set out on page 53;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 27;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 46; and
- The section describing the work of the Audit Committee set out on pages 48 and 49.

## Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 53, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined below, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are United Kingdom Generally Accepted Accounting Practice, the Companies Act 2006, the UK Listing Rules, the UK Corporate Governance Code, the Statement of Recommended Practice for the Financial Statements of Investment Trust Companies as issued by the Association of Investment Companies ('AIC'), The AIC Corporate Governance Code, Section 1158 of the Corporation Tax Act 2010 and The Companies (Miscellaneous Reporting) Regulations 2018.
- We understood how the Company is complying with those frameworks through discussions with the Audit Committee and company secretary and review of board minutes and the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. We identified a fraud risk with respect to the incomplete or inaccurate revenue recognition through the incorrect classification of special dividends in the Income Statement. Further discussion of our approach is set out in the section on key audit matters above.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the Directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Company.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## Other matters we are required to address

- Following the recommendation from the audit committee, we were appointed by the Company on 24 January 2025 to audit the financial statements for the year ending 30 April 2025 and subsequent financial periods.

The period of total uninterrupted engagement including previous renewals and reappointments is 1 year, covering the year ending 30 April 2025.

- The audit opinion is consistent with the additional report to the Audit Committee.

## Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Matthew Price** (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor

London

16 July 2025

# Income Statement

	Notes	Year ended 30 April 2025			Year ended 30 April 2024		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(Losses)/gains on investments held at fair value	9	-	(32,024)	(32,024)	-	2,420	2,420
Gains/(losses) on foreign exchange		-	2,400	2,400	-	(30)	(30)
Income	2	12,683	67	12,750	7,375	79	7,454
Investment management fee	3	(434)	(1,300)	(1,734)	(441)	(1,322)	(1,763)
Other expenses	4	(839)	(1,588)	(2,427)	(692)	(4)	(696)
<b>Net return before finance costs and taxation</b>		<b>11,410</b>	<b>(32,445)</b>	<b>(21,035)</b>	<b>6,242</b>	<b>1,143</b>	<b>7,385</b>
Finance costs	5	(206)	(618)	(824)	(126)	(375)	(501)
<b>Net return on ordinary activities before taxation</b>		<b>11,204</b>	<b>(33,063)</b>	<b>(21,859)</b>	<b>6,116</b>	<b>768</b>	<b>6,884</b>
Tax on ordinary activities	6	(1,164)	(1,741)	(2,905)	(694)	(626)	(1,320)
<b>Net return on ordinary activities after taxation for the financial year</b>		<b>10,040</b>	<b>(34,804)</b>	<b>(24,764)</b>	<b>5,422</b>	<b>142</b>	<b>5,564</b>
<b>Net return per ordinary share:</b>							
Basic	7	10.67p	(37.00)p	(26.33)p	8.12p	0.22p	8.34p

The total columns of this statement represent the Company's profit and loss account, prepared in accordance with UK Accounting Standards. The return on ordinary activities after taxation is the total comprehensive income and therefore no additional statement of other comprehensive income is presented. The supplementary revenue and capital columns are presented for information purposes in accordance with the Statement of Recommended Practice issued by the Association of Investment Companies. All items in the above statement derive from continuing operations of the Company. During the year, the Company acquired the assets of Asia Dragon Trust plc following a scheme of reconstruction. No other operations were acquired or discontinued in the year.

# Statement of Changes in Equity

	Notes	Share Capital £'000	Share Premium £'000	Capital Redemption Reserve £'000	Special Reserve <sup>(1)</sup> £'000	Capital Reserve <sup>(1)</sup> £'000	Revenue Reserve <sup>(1)</sup> £'000	Total £'000
At Year ended 30 April 2023		7,500	-	5,624	34,827	195,713	1,340	245,004
Net return on ordinary activities		-	-	-	-	142	5,422	5,564
Dividends paid	8	-	-	-	-	(4,491)	(4,896)	(9,387)
Shares bought back and held in treasury	13	-	-	-	(2,915)	-	-	(2,915)
At Year ended 30 April 2024		7,500	-	5,624	31,912	191,364	1,866	238,266
Return on ordinary activities		-	-	-	-	(34,804)	10,040	(24,764)
Dividends paid	8	-	-	-	-	(10,315)	(5,265)	(15,580)
Net proceeds from the combination with Asia Dragon Trust plc	13	14,262	530,509	-	-	-	-	544,771
Costs in relation to issue of ordinary shares		-	(418)	-	-	-	-	(418)
Shares bought back and held in treasury	13	-	-	-	(12,363)	-	-	(12,363)
At Year ended 30 April 2025		21,762	530,091	5,624	19,549	146,245	6,641	729,912

(1) These reserves form the distributable reserves of the Company and may be used to fund distributions by way of dividends.

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

# Balance Sheet

	Notes	At 30 April 2025 £'000	At 30 April 2024 £'000
Fixed assets			
Investments held at fair value through profit or loss	9	772,229	251,247
Current assets			
Debtors	10	2,623	927
Cash		2,400	537
		5,023	1,464
Creditors: amounts falling due within one year			
Bank overdraft		-	(50)
Bank facility	11	(43,923)	(12,626)
Other creditors	11	(986)	(999)
		(44,909)	(13,675)
Net current liabilities		(39,886)	(12,211)
Total assets less current liabilities		732,343	239,036
Provision for deferred tax liabilities	12	(2,431)	(770)
Net assets		729,912	238,266
Capital and reserves			
Share capital	13	21,762	7,500
Other reserves:			
Share premium	14	530,091	-
Capital redemption reserve	14	5,624	5,624
Special reserve	14	19,549	31,912
Capital reserve	14	146,245	191,364
Revenue reserve	14	6,641	1,866
Total shareholders' funds		729,912	238,266
Net asset value per ordinary share			
Basic	15	356.31p	361.51p

The financial statements were approved and authorised for issue by the Board of Directors on 16 July 2025.

Signed on behalf of the Board of Directors

**Neil Rogan**  
Chairman

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

# Notes to the Financial Statements

## 1. Accounting Policies

**Accounting policies describe the Company's approach to recognising and measuring transactions during the year and the position of the Company at the year end.**

A summary of the principal accounting policies, all of which have been consistently applied throughout this and the preceding year is set out below:

### (a) Basis of Preparation

#### (i) Accounting Standards applied

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards and applicable law (UK Generally Accepted Accounting Practice ('UK GAAP')), including FRS 102, and with the Statement of Recommended Practice Financial Statements of Investment Trust Companies and Venture Capital Trusts, updated by the Association of Investment Companies in July 2022 ('SORP'). The financial statements are prepared on a going concern basis.

As an investment fund the Company has the option, which it has taken, not to present a cash flow statement as the following conditions have been met:

- substantially all investments are highly liquid;
- substantially all investments are carried at market value; and
- a statement of changes in equity is provided.

#### (ii) Going concern

The financial statements have been prepared on a going concern basis. The Directors performed an assessment of the Company's ability to meet its liabilities as they fall due. In performing this assessment, the Directors took into consideration the continuing uncertain economic outlook and other geopolitical events including:

- the level of borrowings, cash balances and the diversified portfolio of readily realisable securities which can be used to meet short-term funding commitments, including repayment of the bank facility;
- the net current liability position of the Company, after the deduction of drawn-down borrowings, which will be met through the renewal of the existing credit facility or the sale of investments in order to repay any borrowings;
- the ability of the Company to meet all of its liabilities and ongoing expenses from its assets;
- revenue and operating cost forecasts for the forthcoming year;
- the ability of third-party service providers to continue to provide services; and
- potential downside scenarios including a fall in the valuation of the investment portfolio or levels of investment income.

Based on this assessment, the Directors are satisfied that the Company has adequate resources to continue in operational existence for at least 12 months after signing the balance sheet and the financial statements have therefore been prepared on a going concern basis.

#### (iii) Significant Accounting Estimates and Judgements

The preparation of the financial statements may require the Directors to make estimates where uncertainty exists. It also requires the Directors to make judgements, estimates and assumptions, in the process of applying the accounting policies. There have been no significant judgements, estimates or assumptions for the current or preceding year other than the Scheme of Reconstruction detailed below.

#### Issue of Shares Pursuant to a Scheme of Reconstruction of Asia Dragon Trust plc with the Company

On 14 February 2025, the Company issued new Ordinary shares to shareholders of Asia Dragon Trust plc in consideration for the receipt by the Company of assets pursuant to a scheme of reconstruction and liquidation of Asia Dragon Trust plc. The Directors have considered the substance of the assets and activities of Asia Dragon Trust plc determining whether this acquisition represents the acquisition of a business. In this case the acquisition is not judged to be an acquisition of a business and therefore has not been treated as a business combination. Rather, the cost to acquire the assets of Asia Dragon Trust plc has been allocated between the acquired identifiable assets based on their relative fair values on the acquisition date. Investments and cash were transferred from Asia Dragon Trust plc. All assets were acquired at their fair value. The value of the assets received, in exchange for shares issued by the Company, have been recognised in share capital and share premium, as shown in Statement of Changes in Equity. Direct costs in respect of the shares issued have been recognised in share premium, whereas other professional costs in relation to the asset acquisition have been recognised as transaction costs included within capital expenses shown in note 4 Other Expenses. The 9 month Manager fee waiver contribution to the asset acquisition directly reduces the investment management fee otherwise payable based on the value of assets acquired from Asia Dragon Trust plc (see note 3 on page 69).

## (b) Foreign Currency

### (i) Functional and presentation currency

The Company's investments are made in several currencies, however, the financial statements are presented in sterling, which is the Company's functional and presentational currency. In arriving at this conclusion, the Directors considered that the Company's shares are listed and traded on the London Stock Exchange, the shareholder base is predominantly in the United Kingdom and the Company pays dividends and expenses in sterling.

### (ii) Transactions and balances

Transactions in foreign currency, whether of a revenue or capital nature, are translated to sterling at the rates of exchange ruling on the dates of such transactions. Foreign currency assets and liabilities are translated to sterling at the rates of exchange ruling at the balance sheet date. Any gains or losses, whether realised or unrealised, are taken to the capital reserve or to the revenue account, depending on whether the gain or loss is of a capital or revenue nature. All gains and losses are recognised in the income statement.

## (c) Financial Instruments

The Company has chosen to apply the provisions of Sections 11 and 12 of FRS 102 in full in respect of the financial instruments, which is explained below.

### (i) Recognition of financial assets and financial liabilities

The Company recognises financial assets and financial liabilities when the Company becomes a party to the contractual provisions of the instrument. The Company offsets financial assets and financial liabilities in the financial statements if the Company has a legally enforceable right to set off the recognised amounts and interests and intends to settle on a net basis.

### (ii) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire or it transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in the transferred financial asset that is created or retained by the Company is recognised as an asset.

### (iii) Derecognition of financial liabilities

The Company derecognises financial liabilities when its obligations are discharged, cancelled or expired.

### (iv) Trade date accounting

Purchases and sales of financial assets are recognised on trade date, being the date on which the Company commits to purchase or sell the assets.

### (v) Classification and measurement of financial assets and financial liabilities

#### Financial assets

The Company's investments are held at fair value through profit or loss as the investments are managed and their performance evaluated on a fair value basis in accordance with documented investment strategy and this is also the basis on which information about the investments is provided internally to the Board. Financial assets held at fair value through profit or loss are initially recognised at fair value, which is taken to be their cost, with transaction costs expensed in the income statement, and are subsequently valued at fair value.

Financial assets measured at amortised cost include cash, debtors and prepayments.

Fair value for investments that are actively traded in organised financial markets, is determined by reference to stock exchange quoted bid prices at the balance sheet date and therefore reflect market participants' view of climate change risk. For investments that are not actively traded and where active stock exchange quoted bid prices are not available, fair value is determined by reference to a variety of valuation techniques such as last traded price broker quotes with further details in note 17 on pages 76 and 77.

#### Financial liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method.

## (d) Cash and Cash Equivalents

Cash and cash equivalents may comprise short term deposits which are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. Investments are regarded as cash equivalents if they meet all of the following criteria: highly liquid investments held in the Company's base currency that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and have a maturity of no more than three months. There were no cash equivalents at the balance sheet date.

## (e) Income

All dividends are taken into account on the date investments are marked ex-dividend, and UK dividends are shown net of any associated tax credit. Where the Company elects to receive dividends in the form of additional shares rather than cash, the equivalent of the cash dividend is recognised as income in the revenue account and any excess in value of the shares received over the amount of the cash dividend is recognised in capital. Special dividends representing a return of capital are allocated to capital in the Income Statement and then taken to capital reserves. Dividends will generally be recognised as revenue however all special dividends will be reviewed, with consideration given to the facts and circumstances of each case, including the reasons for the underlying distribution, before a decision over whether allocation is to revenue or capital is made. Interest income and expenses are accounted for on an accruals basis. Other income from investments is accounted for on an accruals basis. Deposit interest receivable is accounted for on an accruals basis.

## 1. Accounting Policies (continued)

### (f) Expenses and Finance Costs

Expenses are recognised on an accruals basis and finance costs are recognised using the effective interest method in the income statement.

The investment management fee and finance costs are allocated 75% to capital and 25% to revenue. This is in accordance with the Board's expected long-term split of returns, in the form of capital gains and income respectively, from the portfolio.

Investment transaction costs are recognised in capital in the income statement. All other expenses are allocated to revenue in the income statement.

### (g) Dividends

Dividends are not recognised in the accounts unless there is an obligation to pay at the balance sheet date. Proposed final dividends are recognised in the period in which they are either approved by or paid to shareholders.

### (h) Taxation

The liability to corporation tax is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The tax charge is allocated between the revenue and capital accounts on the marginal basis whereby revenue expenses are matched first against taxable income in the revenue account.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax or a right to pay less tax in the future have occurred. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements. Deferred taxation assets are recognised where, in the opinion of the Directors, it is more likely than not that these amounts will be realised in future periods.

A deferred tax asset has not been recognised in respect of surplus management expenses and the non-trade loan relationship deficit as the Company is unlikely to have sufficient future taxable revenue to offset against these.

Gains and losses on sale of investments purchased and sold in India are liable to capital gains tax in India.

At each year end date, a provision for Indian capital gains tax is calculated based upon the Company's realised and unrealised gains and losses. There are two rates of tax: short-term and long-term. The short-term rate of tax is applicable to investments held for less than 12 months and the long-term rate of tax is applicable to investments held for more than 12 months.

The provision for the Indian capital gains tax is recognised in the balance sheet and the year-on-year movement in the deferred tax provision is recognised in the income statement.

## 2. Income

**This note shows the income generated from the portfolio (investment assets) of the Company and income received from any other source.**

	2025 £'000	2024 £'000
Income from investments:		
UK dividends	198	77
Overseas dividends	12,187	7,208
Overseas special dividends	235	51
Stock dividends	13	-
Total dividend income	12,633	7,336
Other income:		
Deposit interest	50	39
	50	39
Total income	12,683	7,375

Special dividends of £67,000 were recognised in capital during the year (2024: £79,000).

### 3. Investment Management Fee

This note shows the investment management fee due to the Manager which is calculated and paid quarterly.

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fee (i)	434	1,300	1,734	441	1,322	1,763

- (i) Investment management fee for year ended 30 April 2025 includes a time-apportioned part of the nine month fee waiver from the Manager equating to approximately two and a half months from the date of the combination with Asia Dragon plc in February 2025 to 30 April 2025. The nine month cost contribution in respect of the asset acquisition is based on the value of the assets acquired from Asia Dragon Trust plc.

Details of the investment management and secretarial agreement are given on page 39 in the Directors' Report.

At 30 April 2025, £281,000 (2024: £440,000) was accrued in respect of the investment management fee.

Investment management fee and finance costs on any borrowings are charged 75% to capital and 25% to revenue. Prior to the asset acquisition of Asia Dragon Trust plc a management fee was payable quarterly in arrears equal to 0.75% per annum of the value of the Company's total assets less current liabilities (including any short term borrowings) under management at the end of the relevant quarter and 0.65% per annum for any net assets over £250 million. Following the successful combination with Asia Dragon Trust plc becoming effective on 13 February 2025, the Investment Management Agreement was amended such that the existing management fee was reduced as follows:

- 0.75% on the first £125 million of the Net Asset Value;
- 0.60% above £125 million and up to £450 million of the Net Asset Value; and
- 0.50% on the Net Asset Value in excess of £450 million.

### 4. Other Expenses

The other expenses, including those paid to Directors and the auditor, of the Company are presented below; those paid to the Directors and the auditor are separately identified.

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Directors' remuneration (i)	182	-	182	143	-	143
Auditor's fees (ii):						
- for audit of the Company's Annual Financial Statements:						
- Ernst and Young LLP	60	-	60	-	-	-
- KPMG LLP	-	-	-	70	-	70
Other administration expenses (iii)	597	1,588	2,185	479	4	483
	839	1,588	2,427	692	4	696

- (i) Directors' fees authorised by the Articles of Association are £400,000 per annum. The Director's Remuneration Report provides further information on Directors' fees.
- (ii) Auditor's fees include out of pocket expenses but excludes VAT. The VAT is included in other administration expenses.
- (iii) Other administration expenses include:
- Expenses related to the combination with Asia Dragon Trust plc of £1,579,000 (2024: nil). These are charged to capital.
  - £17,000 (2024: £14,000) of employer's National Insurance payable on Directors' remuneration. As at 30 April 2025, the amounts outstanding on Directors' remuneration was £22,000 (2024: £11,000); and the amount outstanding in respect of employer's National Insurance was £2,000 (2024: £1,000).
  - custody fees of £154,000 (2024: £103,000) were charged to revenue and custody transaction charges of £9,000 (2024: £4,000) which were charged to capital.
  - a separate fee paid to the Manager for secretarial and administrative services which is subject to annual adjustment in line with the UK Retail Price Index. During the year the Company paid £143,000 (2024: £119,000) for these services.

### 5. Finance Costs

Finance costs arise on any borrowing the Company has utilised in the year. The Company has a committed £80 million revolving credit facility (the 'bank facility') (see note 11 for further details).

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Commitment fees due on bank facility	6	17	23	7	19	26
Interest on bank facility	186	560	746	115	344	459
Overdraft interest	14	41	55	4	12	16
	206	618	824	126	375	501

## 6. Taxation

As an investment trust the Company pays no UK corporation tax on capital gains. The Company suffers no UK corporation tax on income arising on UK and certain overseas dividends. The Company's tax charge arises from irrecoverable tax on overseas (generally non-EU) dividends and Indian capital gains tax paid and provided for.

### (a) Tax charge

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Overseas tax	1,164	-	1,164	694	4	698
Indian capital gains tax - paid - note 6(d)	-	80	80	-	668	668
Total current tax charge	1,164	80	1,244	694	672	1,366
Indian capital gains tax - movement in provision - note 6(d)	-	1,661	1,661	-	(46)	(46)
Total tax charge for the year	1,164	1,741	2,905	694	626	1,320

The overseas tax charge consists of irrecoverable withholding tax.

### (b) Reconciliation of total tax charge

	2025 £'000	2024 £'000
Net return on ordinary activities before taxation	(21,859)	6,884
Theoretical tax at the current UK Corporation Tax rate of 25% (At 30 April 2024: 25%)	(5,465)	1,721
Effects of:		
- Non-taxable UK dividends	(50)	(19)
- Non-taxable overseas dividends	(2,980)	(1,754)
- Non-taxable overseas special dividends	(79)	(33)
- Losses/(gains) on investments not subject to UK corporation tax	8,258	(605)
- Non-taxable losses on foreign exchange	-	8
- Excess of allowable expenses over taxable income	(82)	681
- Disallowable expenses	398	1
- Overseas taxation	1,164	698
- Indian capital gains tax - paid	80	668
- Indian capital gains tax - provision - see (d) below	1,661	(46)
Tax charge for the year	2,905	1,320

Given the Company's status as an investment trust, and the intention to continue meeting the conditions required to obtain the necessary approval in the foreseeable future, the Company has not provided any UK corporation tax on any realised or unrealised capital gains or losses arising on investments.

### (c) Factors that may affect future tax changes

The Company has cumulative excess management expenses of £29,194,000 (2024: £30,278,000) and a non-trade loan relationship deficit of £2,429,000 (2024: £1,675,000) giving total unutilised losses of £31,623,000 (2024: £31,953,000) that are available to offset future taxable revenue.

A deferred tax asset of £7,906,000 (2024: £7,988,000) at 25% (2024: 25%) has not been recognised in respect of these expenses since the Directors believe that there will be no taxable profits in the future against which the deferred tax assets can be offset.

### (d) Indian capital gains tax

Capital gains arising from equity investments in Indian companies are subject to Indian Capital Gains Tax Regulations. Consequently, the Company is subject to both short and long term capital gains tax in India on the growth in value of its Indian equities.

Although this capital gains tax only becomes payable at the point at which the underlying investments are sold and profits crystallised, the Company has made a provision for this tax liability for the year ended 30 April 2025 of £2,431,000 (2024: £770,000). See note 12 for further details.

## 7. Net return per Ordinary Share

Net return per share is the amount of gain or loss generated for the financial year divided by the weighted average number of ordinary shares in issue.

	2025		2024	
	Pence	£'000	Pence	£'000
Net return per ordinary share is based on the following:				
Revenue return after taxation	10.67	10,040	8.12	5,422
Capital return after taxation	(37.00)	(34,804)	0.22	142
Total return after taxation	(26.33)	(24,764)	8.34	5,564
			2025 £'000	2024 £'000
Weighted average number of ordinary shares in issue during the year			94,066,830	66,752,781

## 8. Dividends on Ordinary Shares

Dividends represent a return of income to shareholders for investing in the Company's shares. These are determined by the Directors.

	2025		2024	
	Pence	£'000	Pence	£'000
Dividends paid and recognised in the year:				
First interim dividend paid	7.80	5,062	7.20	4,813
Second interim dividend paid	3.90	2,523	6.90	4,574
Third interim dividend paid	3.90	7,995	-	-
	15.60	15,580	14.10	9,387

Set out above are the total dividends paid in respect of the financial year, which is the basis on which the requirements of Section 1158-1159 of the Corporation Tax Act 2010 are considered.

The Company pays an aggregate annual dividend equal to approximately 4.0% of its NAV. During the year the frequency of dividend payments was increased from semi annually to quarterly. From 1 May 2025 dividends will be payable quarterly in July, October, January and April, with a change in the reference date of NAV determining each dividend, from the last business day of September, to the last business day of April.

## 9. Investments at Fair Value

The portfolio comprises investments which are predominantly listed and traded on regulated stock exchanges. The investments of the Company are registered in the name of the Company or in the name of nominees and held to the order of the Company.

Gains and losses are either:

- realised, usually arising when investments are sold; or
- unrealised, being the difference from cost on those investments still held at the year end.

	2025 £'000	2024 £'000
Opening valuation	251,247	258,962
Movements in the year:		
Investments acquired from the combination with Asia Dragon Trust plc	530,156	-
Purchases at cost	640,476	104,378
Sales - proceeds	(617,626)	(114,513)
(Losses)/gains on investments in the year	(32,024)	2,420
Closing valuation	772,229	251,247
Closing book cost	807,384	232,074
Closing investment holding (losses)/gains	(35,155)	19,173
Closing valuation	772,229	251,247

The Company received £617,626,000 (2024: £114,513,000) from investments sold in the year. The book cost of these investments when they were purchased was £595,321,000 (2024: £107,169,000) realising a profit of £22,305,000 (2024: £7,334,000) which when offset against the movement in closing investment holding gains results in net loss on investments in the year of £32,024,000 (2024: net gains of £2,420,000). These investments have been revalued over time and until they were sold any unrealised profits/losses were included in the fair value of the investments.

The transaction costs included in gains on investments amount to £477,000 (2024: £114,000) on purchases and £441,000 (2024: £185,000) for sales.

## 10. Debtors

Debtors are amounts which are due to the Company, such as monies due from brokers for investments sold, income which has been earned (accrued) but not yet received and any taxes that are recoverable.

	2025 £'000	2024 £'000
Overseas withholding tax recoverable	205	227
VAT recoverable	17	14
Prepayments and accrued income	2,401	686
	2,623	927

## 11. Creditors: amounts falling due within one year

Creditors are amounts which must be paid by the Company and they are all due within 12 months of the balance sheet date.

The bank facility provides a specific amount of capital, up to £80 million, (2024: £20 million) over a specified period of time 2 years (2024: 364 days). Unlike a term loan, the revolving nature of the bank facility allows the Company to drawdown, repay and re-draw loans.

	2025 £'000	2024 £'000
Bank facility	43,923	12,626
Share buybacks awaiting settlement	7	320
Accruals	979	679
	44,909	13,625

The uncommitted (2024: committed) unsecured multi-currency revolving credit facility (the 'bank facility') with The Bank of New York Mellon, has an interest payable based on the Adjusted Reference Rate (principally SOFR and SONIA respectively in respect of loans drawn in USD and GBP) plus a margin for amounts drawn. Any undrawn amounts under the bank facility attract a commitment fee of 0.05% (2024: 0.20%). The bank facility covenants are based on the lower of 25% of net asset value and £80 million (2024: lower of 25% of net asset value and £20 million), renewable on 19 February 2027, and require total assets to not fall below £200 million (2024: require total assets to not fall below £80 million). At the year end, the bank facility drawn down was in US dollars with a sterling equivalent of £43,923,000 (2024: £12,626,000).

## 12. Provision for deferred tax liabilities

The Company makes a deferred tax provision when a potential obligation exists that will probably have to settle in cash, but the amount is estimated and only becomes payable at the point at which the underlying investments are sold and profits crystallised.

	2025 £'000	2024 £'000
Provision for deferred Indian capital gains tax	2,431	770
	2,431	770

## 13. Share Capital

Share capital represents the total number of shares in issue. Any dividends declared will be paid on the shares in issue on the record date.

The Directors' Report on page 40 sets out the share capital structure, restrictions and voting rights.

Share capital represents the total number of shares in issue, including treasury shares.

### (a) Allotted, called-up and fully paid

	2025 £'000	2024 £'000
Share capital:		
Ordinary shares of 10p each	20,485	6,591
Treasury shares of 10p each	1,277	909
	21,762	7,500

### (b) Share movements

	2025		2024	
	Ordinary number	Treasury number	Ordinary number	Treasury number
Number at start of year	65,908,287	9,091,594	66,853,287	8,146,594
Shares issued as a result of combination with Asia Dragon Trust plc	142,619,864	-	-	-
Shares bought back and held in treasury	(3,675,000)	3,675,000	(945,000)	945,000
Number at the end of the year	204,853,151	12,766,594	65,908,287	9,091,594

During the year 142,619,864 Ordinary shares were issued in exchange for £544,771,000 of net assets following on from the combination with Asia Dragon Trust plc (see note 21 on page 77). During the year the Company bought back, into treasury, 3,675,000 ordinary shares at a total cost of £12,363,000.

A further 1,060,000 shares have been bought back into treasury, at an average price of 339.21p, since 30 April 2025.

As explained in the Chairman's Statement on page 8, the Company introduced a performance conditional tender offer in 2020 whereby the Board had undertaken to effect a tender offer for up to 25.0% of the Company's issued share capital in the event that certain conditions are met relating to performance of the net asset value compared to the benchmark index. Following the combination with Asia Dragon Trust plc in February 2025, the performance conditional tender offer was replaced with a triennial unconditional tender offer for up to 100% of the issued share capital at 4.0% discount to the prevailing NAV (debt at fair value, cum income). The first one will be no later than the date of the announcement of its final results for the financial year ended 30 April 2028.

## 14. Reserves

**This note explains the different reserves attributable to shareholders. The aggregate of the reserves and share capital (see previous note) make up total shareholders' funds.**

The capital redemption reserve maintains the equity share capital arising from the buy-back and cancellation of shares and is non-distributable. The special reserve arose from the cancellation of the share premium account and is available as a distributable reserve to fund any future dividends, tender offers and share buybacks.

The capital reserve includes unrealised investment holding profits and losses, being the difference between cost and market value at the balance sheet date, as well as realised profits and losses on disposal of investments, expenses allocated to capital and special dividends received that are classified as capital in nature. The revenue reserve reflects the income and expenses as shown in the revenue column of the Income Statement. The capital and revenue reserves are distributable by way of dividend. Dividends are first funded from available revenue reserves and then funded from capital reserves at the date of the dividend payment.

As a result of the combination with Asia Dragon Trust plc during the year, the share capital of the company increased by the nominal value of shares issued. The closing balance of the share premium account reflects the balance of the net assets acquired from Asia Dragon Trust plc less the nominal value of shares issued and the cost in relation to issue of ordinary shares.

## 15. Net Asset Value

**The Company's total net assets (total assets less total liabilities) are often termed shareholders' funds and are converted into net asset value per ordinary share by dividing by the number of shares in issue as at the reporting date.**

The net asset values attributable to each share in accordance with the Company's Articles are set out below.

	2025	2024
Ordinary shareholders' funds	£729,912,000	£238,266,000
Number of ordinary shares in issue, excluding treasury shares	204,853,151	65,908,287
Net asset value per ordinary share	356.31p	361.51p

There is no dilution in this or the prior year and therefore no diluted net asset value per ordinary share has been disclosed.

## 16. Financial Instruments

**Financial instruments comprise the Company's investment portfolio, derivative financial instruments (if the Company had any), as well as any cash, borrowings, debtors and creditors. This note sets out the risks arising from the Company's financial instruments in terms of the Company's exposure and sensitivity, and any mitigation that the Manager or Board can take.**

### Risk Management Policies and Procedures

The Company's portfolio is managed in accordance with its investment objective, which is set out in the Strategic Report on page 24. The Strategic Report then proceeds to set out the Manager's investment process and the Company's internal control and risk management systems as well as the Company's principal and emerging risks and uncertainties. Risk management is an integral part of the investment management process and this note expands on certain of those risks in relation to the Company's financial instruments, including market risk.

The accounting policies in note 1 include criteria for the recognition and the basis of measurement applied for financial instruments. Note 1 also includes the basis on which income and expenses arising from financial assets and liabilities are recognised and measured. The Directors have delegated to the Manager the responsibility for the day-to-day investment activities of the Company as more fully described in the Strategic Report.

As an investment trust the Company invests in equities and other investments for the long-term so as to meet its investment objective and policies. In pursuing its investment objective, the Company is exposed to a variety of risks that could result in either a reduction in the Company's net assets or a reduction of the profits available for dividends. The risks applicable to the Company and the policies the Company used to manage these are summarised below and have remained substantially unchanged for the two years under review.

#### 16.1 Market Risk

Market risk arises from changes in the fair value or future cash flows of a financial instrument because of movements in market prices. Market risk comprises three types of risk: currency risk (16.1.1), interest rate risk (16.1.2) and other price risk (16.1.3).

## 16. Financial Instruments (continued)

### Risk Management Policies and Procedures (continued)

#### 16.1 Market Risk (continued)

The Company's Manager assesses the Company's exposure when making each investment decision, and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis. The Board meets at least quarterly to assess risk and review investment performance, as disclosed in the Board Responsibilities on page 46. Borrowing is used to enhance returns; however, this will also increase the Company's exposure to market risk and volatility.

##### 16.1.1 Currency Risk

As nearly all of the Company's assets, liabilities and income are denominated in currencies other than sterling, movements in exchange rates will affect the sterling value of those items.

##### Management of the Currency Risk

The Manager monitors the Company's exposure to foreign currencies on a daily basis and reports to the Board on a regular basis. With the exception of borrowings in foreign currency, the Company does not normally hedge its currency positions but may do so should the Portfolio Managers or the Board feel this was appropriate. Contracts are limited to currencies and amounts commensurate with the asset exposure.

Income denominated in foreign currencies is converted to sterling on receipt. The Company does not use financial instruments to mitigate the currency exposure in the period between the time that income is accrued and received.

##### Foreign Currency Exposure

The fair values of the Company's monetary items that have currency exposure at 30 April are shown below. Where the Company's investments (which are not monetary items) are priced in a foreign currency they have been included separately in the analysis so as to show the overall level of exposure.

Year ended 30 April 2025						
Currency	Debtors (due from brokers and dividends) £'000	Cash and cash equivalents £'000	Overdrafts and bank facility £'000	Foreign currency exposure on net monetary items £'000	Investments at fair value through profit or loss £'000	Total net foreign currency exposure £'000
Australian dollar	-	-	-	-	8,473	8,473
Chinese yuan	-	-	-	-	39,164	39,164
Hong Kong dollar	-	-	-	-	236,204	236,204
Indian rupee	-	-	-	-	78,504	78,504
Indonesian rupiah	-	-	-	-	43,747	43,747
Singapore dollar	632	-	-	632	18,694	19,326
South Korean won	331	-	-	331	109,562	109,893
Swiss franc	20	-	-	20	-	20
Taiwan dollar	185	-	-	185	111,913	112,098
Thai baht	1,291	-	-	1,291	28,507	29,798
US dollar	125	2,021	(43,923)	(41,777)	74,267	32,490
Vietnamese Dong	-	-	-	-	7,795	7,795
	2,584	2,021	(43,923)	(39,318)	756,830	717,512
Year ended 30 April 2024						
Currency	Debtors (due from brokers and dividends) £'000	Cash and cash equivalents £'000	Overdrafts and bank facility £'000	Foreign currency exposure on net monetary items £'000	Investments at fair value through profit or loss £'000	Total net foreign currency exposure £'000
Australian dollar	-	-	-	-	3,691	3,691
Chinese yuan	-	-	-	-	14,352	14,352
Hong Kong dollar	-	-	-	-	76,308	76,308
Indian rupee	-	-	-	-	22,984	22,984
Indonesian rupiah	-	-	-	-	10,331	10,331
Singapore dollar	151	-	-	151	5,407	5,558
South Korean won	139	-	-	139	41,011	41,150
Swiss franc	-	-	-	-	2,845	2,845
Taiwan dollar	227	16	-	243	38,590	38,833
Thai baht	289	-	-	289	6,994	7,283
US dollar	78	521	(12,626)	(12,027)	17,444	5,417
Vietnamese dong	-	-	-	-	5,119	5,119
	884	537	(12,626)	(11,205)	245,076	233,871

The amounts shown are not representative of the exposure to risk during the year, because the levels of foreign currency exposure change significantly throughout the year.

## Foreign Currency Sensitivity

The following table illustrates the sensitivity of the returns after taxation for the year with respect to the Company's financial assets and liabilities.

If sterling had strengthened by the amounts shown in the second table below, the effect on the assets and liabilities held in non-sterling currency would have been as follows:

Currency	2025			2024		
	Revenue return £'000	Capital return £'000	Total loss after tax £'000	Revenue return £'000	Capital return £'000	Total loss after tax £'000
Australian dollar	(3)	(237)	(240)	(2)	(52)	(54)
Chinese yuan	(11)	(666)	(677)	(15)	(244)	(259)
Hong Kong dollar	(39)	(4,960)	(4,999)	(26)	(1,221)	(1,247)
Indian rupee	(5)	(1,727)	(1,732)	(5)	(345)	(350)
Indonesian rupiah	(45)	(1,225)	(1,270)	(16)	(248)	(264)
Singapore dollar	(8)	(187)	(195)	(2)	(59)	(61)
South Korean won	(47)	(3,068)	(3,115)	(18)	(700)	(718)
Taiwan dollar	(22)	(2,014)	(2,036)	(15)	(656)	(671)
Thai baht	(47)	(969)	(1,016)	(7)	(147)	(154)
US dollar	927	(1,678)	(751)	208	(305)	(97)
Vietnamese dong	(3)	(171)	(174)	(4)	(118)	(122)
	697	(16,902)	(16,205)	98	(4,095)	(3,997)

If sterling had weakened by the same amounts, the effect would have been the converse.

The following movements in the assumed exchange rates are used in the above sensitivity analysis:

	2025 %	2024 %
£/Australian dollar	+/-2.8	+/-1.4
£/Chinese yuan	+/-1.7	+/-1.7
£/Hong Kong dollar	+/-2.1	+/-1.6
£/Indian rupee	+/-2.2	+/-1.5
£/Indonesian rupiah	+/-2.8	+/-2.4
£/Singapore dollar	+/-1.0	+/-1.1
£/South Korean won	+/-2.8	+/-1.7
£/Taiwan dollar	+/-1.8	+/-1.7
£/Thai baht	+/-3.4	+/-2.1
£/US dollar	+/-2.2	+/-1.7
£/Vietnamese dong	+/-2.2	+/-2.3

These percentages have been determined based on the market volatility in exchange rates during the year. The sensitivity analysis is based on the Company's foreign currency financial instruments held at each balance sheet date and takes account of forward foreign exchange contracts that offset the effects of changes in currency exchange rates. The effect of the strengthening or weakening of sterling against foreign currencies is calculated by reference to the volatility of exchange rates during the year using one standard deviation of currency fluctuations from the average exchange rate.

In the opinion of the Directors, the above sensitivity analyses are not representative of the year as a whole since the level of foreign currency exposure varies.

### 16.1.2 Interest Rate Risk

The Company is exposed to interest rate risk through income receivable on cash deposits and interest payable on variable rate borrowings. When the Company has cash balances, they are held in variable rate bank accounts yielding rates of interest dependent on the base rate of the custodian, Bank of New York Mellon (International) Limited.

The Company has a revolving credit facility (the 'bank facility') for which details and year end drawn down amounts are shown in note 11. The Company uses the facility when required at levels approved and monitored by the Board. At the maximum possible gearing of £80 million, the effect of a 3.5% increase/decrease in the interest rate would result in a decrease/increase to the Company's total income of £2,800,000. At the year end, US dollars with a sterling equivalent of £43,923,000 of the bank facility was drawn down (2024: £12,626,000).

The Company also has available an uncommitted bank overdraft arrangement with the custodian for settlement purposes. At the year end, there was a sterling overdraft of £nil (2024: US dollar overdraft with a sterling equivalent of £50,000). Interest on the bank overdraft is payable at the custodian's variable rate.

The Company's portfolio is not directly exposed to interest rate risk.

## 16. Financial Instruments (continued)

### Risk Management Policies and Procedures (continued)

#### 16.1 Market Risk (continued)

##### 16.1.3 Other Price Risk

Other price risks (i.e. changes in market prices other than those arising from interest rate risk or currency risk) may affect the value of the equity investments, but it is the business of the Manager to manage the portfolio to achieve the best possible return.

The Directors manage the market price risks inherent in the investment portfolio by meeting regularly to monitor on a formal basis the Manager's compliance with the Company's stated objectives and policies and to review investment performance.

The Company's portfolio is the result of the Manager's investment process and as a result is not wholly correlated with the Company's benchmark or the markets in which the Company invests. The value of the portfolio will not move in line with the markets but will move as a result of the performance of the shares within the portfolio.

If the value of the portfolio rose or fell by 10% at the balance sheet date, the profit after tax for the year would increase or decrease by £77.2 million (2024: £25.1 million) respectively.

#### 16.2 Liquidity Risk

This is the risk that the Company may encounter difficulty in meeting its obligations associated with financial liabilities i.e. when realising assets or raising finance to meet financial commitments.

A lack of liquidity in the portfolio may make it difficult for the Company to realise assets at or near their purported value in the event of a forced sale. This is minimised as the majority of the Company's investments comprise a diversified portfolio of readily realisable securities which can be sold to meet funding commitments as necessary, cash held and the bank facility provides for additional funding flexibility. The financial liabilities of the Company at the balance sheet date are shown in note 11.

Creditors: amounts falling due within one year are expected to become payable within less than three months and the Provision for deferred tax liability (Indian capital gains tax) will become payable upon realisation of taxable gains upon sale of relevant underlying Indian securities.

#### 16.3 Credit Risk

Credit risk comprises the potential failure by counterparties to deliver securities which the Company has paid for, or to pay for securities which the Company has delivered; it includes but is not limited to: lost principal and interest, disruption to cash flows or the failure to pay interest.

Credit risk is minimised by using:

- (a) only approved counterparties, covering both brokers and deposit takers;
- (b) a custodian that operates under BASEL III guidelines. The Board reviews the custodian's annual, externally audited, service organisation controls report and the Manager's management of the relationship with the custodian. Following the appointment of a depository, assets held at the custodian are covered by the depository's restitution obligation, accordingly the risk of loss is remote; and
- (c) the Invesco Liquidity Funds plc - US Dollar, a money market fund, which is rated AAAM by Standard & Poor's and AAAMmf by Fitch.

Cash balances are limited to a maximum of 5% of net assets with the custodian, 2.5% of net assets with any other deposit taker and a maximum of 6% of net assets in the Invesco Liquidity Funds plc. These limits are at the discretion of the Board and are reviewed on a regular basis. As at the year end, the sterling equivalent of £2,400,000 (2024: £537,000) was held at the custodian, in addition a balance had been held in Invesco Liquidity Funds plc during the year and the balance was £nil at the year end (2024: £1,494,000).

## 17. Fair Value of Financial Assets and Financial Liabilities

**'Fair value' in accounting terms is the amount at which an asset can be bought or sold in a transaction between willing parties, i.e. a market-based, independent measure of value. Under accounting standards there are three levels of fair value based on whether there is an active market (Level 1) or, if not, Levels 2 and 3 where other methods have been employed to establish a fair value. This note sets out the aggregate amount of the portfolio in each level, and why.**

Financial assets and financial liabilities are either carried at their fair value (investments), or at a reasonable approximation of their fair value. The valuation techniques used by the Company are explained in the accounting policy note. FRS 102 sets out three fair value levels for the fair value for the hierarchy disclosures. Categorisation into a level is determined on the basis of the lowest level input that is significant to the fair value measurement of each relevant asset/liability.

The investments held by the Company at the year end are shown on pages 18 and 19. Except for one Level 2 and one Level 3 investments described below, all of the Company's investments at the year end were deemed to be Level 1 with fair values for all based on unadjusted quoted prices in active markets for identical assets totalling £743,688,000 (2024: £242,722,000).

Level 2 investments are investments for which inputs are other than quoted prices included within Level 1 that are observable (i.e. developed using market data). At the year end there was one Level 2 investment held with a total fair value of £28,507,000 (2024: £8,488,000), solely comprising of Kasikornbank, valued at £28,507,000 (2024: Kasikornbank, valued at £6,994,000 and Invesco Liquidity Funds - US Dollar money market fund, valued at £1,494,000). Kasikornbank is classified as Level 2 due to the less liquid nature of the foreign ownership line of stock held, however this holding is valued using observable market prices with potentially lower liquidity judged to be the most important factor in determining this designation.

There have been no transfers or movements between fair value categories during the year.

Level 3 investments are investments for which inputs are unobservable (i.e. for which market data is unavailable). Lime Co. was the only Level 3 investment in the portfolio at the year end and was valued at £34,000 using a price which was in line with trades in the closest approximate market, the OTC market (2024: one investment: Lime Co. valued at £37,000 based on prices of trades in the OTC market). Judgement has been applied to determine that the OTC market will provide the best approximate value for this security.

## 18. Capital Management

**This note is designed to set out the Company's objectives, policies and processes for managing its capital. This capital being funded by monies invested in the Company by shareholders (both initial investment and retained amount) and any borrowings by the Company.**

The Company's total capital employed at 30 April 2025 was £773,835,000 (2024: £250,892,000) comprising borrowings of £43,923,000 (2024: £12,626,000) and equity share capital and other reserves of £729,912,000 (2024: £238,266,000).

The Company's total capital employed is managed to achieve the Company's investment objective and investment policy as set out on page 24. Borrowings may be used to provide gearing up to the lower of £80 million or 25% of net asset value. The Company's policies and processes for managing capital were unchanged throughout the year and the preceding year.

The main risks to the Company's investments are shown in the Directors' Report under the 'Principal and Emerging Risks and Uncertainties' section on pages 27 to 31. These also explain that the Company is able to gear and that gearing will amplify the effect on equity of changes in the value of the portfolio.

The Board can also manage the capital structure directly since it has taken the powers, which it is seeking to renew, to issue and buy-back shares and it also determines dividend payments.

The Company is subject to externally imposed capital requirements with respect to the obligation and ability to pay dividends by section 1158 Corporation Tax Act 2010 and by the Companies Act 2006, respectively, and with respect to the availability of the bank facility, by the terms imposed by the lender, details of which are given in note 11. The Board regularly monitors, and the Company has complied with, these externally imposed capital requirements.

## 19. Contingencies, Guarantees and Financial Commitments

**Any liabilities the Company is committed to honour, and which are dependent on future circumstances or events occurring, would be disclosed in this note if any existed.**

There were no contingencies, guarantees or other financial commitments of the Company as at 30 April 2025 (2023: nil).

## 20. Related Party Transactions and Transactions with the Manager

**A related party is a company or individual who has direct or indirect control or who has significant influence over the Company. Under accounting standards, the Manager is not a related party.**

Under UK GAAP, the Company has identified the Directors and their dependents as related parties. The Directors' remuneration and interests have been disclosed on page 51 with additional disclosure in note 4. No other related parties have been identified.

Details of the Manager's services and fees are disclosed in the Director's Report on page 39, note 3 and note 4(iii) to the financial statements.

## 21. Combination with Asia Dragon Trust plc

On 13 February 2025, the Company announced that it had acquired £544,771,000 of net assets from Asia Dragon Trust plc in consideration for the issue of 142,619,864 new Ordinary shares based on the respective formula asset values of the two entities on 6 February 2025.

	£'000
<b>Net assets acquired</b>	
Investments	530,156
Cash	14,615
Net assets	544,771
<b>Satisfied by the value of new Ordinary shares issued</b>	544,771

## 22. Post Balance Sheet Events

**Any significant events that occurred after the balance sheet date but before the signing of the balance sheet will be shown here.**

There are no significant events after the end of the reporting period requiring disclosure.





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## Shareholder

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# Notice of Annual General Meeting

THIS NOTICE OF ANNUAL GENERAL MEETING IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action to take, you should consult your stockbroker, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in Invesco Asia Dragon Trust plc, please forward this document and the accompanying Form of Proxy to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee. Please note that each of the resolutions to be considered at the AGM will be voted on by way of a poll.

Notice is given that the Annual General Meeting of Invesco Asia Dragon Trust plc will be held at 60 London Wall, London EC2M 5TQ, on 18 September 2025 at 12 noon for the following purposes:

## Ordinary Business

To consider and, if thought fit, to pass the following resolutions all of which will be proposed as ordinary resolutions:

1. To receive and consider the Annual Financial Report for the year ended 30 April 2025.
2. To approve the Company's Dividend Payment Policy. This is an advisory vote.
3. To approve the Annual Statement and Report on Remuneration for the year ended 30 April 2025.
4. To re-elect Neil Rogan as a Director of the Company.
5. To re-elect Vanessa Donegan as a Director of the Company.
6. To re-elect Myriam Madden as a Director of the Company.
7. To re-elect Sonya Rogerson as a Director of the Company.
8. To elect Matthew Dobbs as a Director of the Company.
9. To elect Susan Sternglass Noble as a Director of the Company.
10. To elect James Will as a Director of the Company.
11. To elect Nicole Yuen as a Director of the Company.
12. To re-appoint Ernst & Young LLP as auditor of the Company.
13. To authorise the Audit Committee to determine the remuneration of the auditor.

## Special Business

To consider and, if thought fit, pass the following resolutions of which resolution 14 will be proposed as an ordinary resolution and resolutions 15 to 18 as special resolutions:

### Authority to Allot Shares

14. That:

in substitution for any existing authority under section 551 of the Companies Act 2006 (the 'Act') but without prejudice to the exercise of any such authority prior to the date of this resolution the Directors of the Company be generally and unconditionally authorised in accordance with section 551 of the Act as amended from time to time prior to the date of the passing of this resolution, to exercise all powers of the Company to allot shares and grant rights to subscribe for, or convert any securities into, shares up to an aggregate nominal amount (within the meaning of sections 551(3) and (6) of the Act) of £2,037,931, this being 10% of the

Company's issued ordinary share capital as at 15 July 2025, such authority to expire at the conclusion of the next Annual General Meeting of the Company or the date 15 months after the passing of this resolution, whichever is the earlier unless the authority is renewed or revoked at any other general meeting prior to such time, but so that this authority shall allow the Company to make offers or agreements before the expiry of this authority which would or might require shares to be allotted, or rights to be granted, after such expiry as if the authority conferred by this resolution had not expired.

### Disapplication of Pre-emption Rights

15. That:

subject to the passing of resolution number 14 set out in the notice of this meeting (the 'Section 551 Resolution') and in substitution for any existing authority under sections 570 and 573 of the Companies Act 2006 (the 'Act') but without prejudice to the exercise of any such authority prior to the date of this resolution, the Directors be and are hereby empowered, in accordance with sections 570 and 573 of the Act as amended from time to time prior to the date of the passing of this resolution to allot equity securities (within the meaning of section 560(1), (2) and (3) of the Act) for cash, either pursuant to the authority given by the Section 551 Resolution or (if such allotment constitutes the sale of relevant shares which, immediately before the sale, were held by the Company as treasury shares) otherwise, as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited:

- (a) to the allotment of equity securities in connection with a rights issue in favour of all holders of a class of equity securities where the equity securities attributable respectively to the interests of all holders of securities of such class are either proportionate (as nearly as may be) to the respective numbers of relevant equity securities held by them or are otherwise allotted in accordance with the rights attaching to such equity securities (subject in either case to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal, regulatory or practical problems under the laws of, or the requirements of, any regulatory body or any stock exchange in any territory or otherwise); and
- (b) to the allotment (otherwise than pursuant to a rights issue) of equity securities up to an aggregate nominal amount of £2,037,931, this being 10% of the Company's issued share capital as at 15 July 2025 and this power shall expire at the conclusion of the next Annual General Meeting of the Company or the date 15 months after the passing of this resolution, whichever is the earlier unless the authority is renewed

or revoked at any other general meeting prior to such time, but so that this power shall allow the Company to make offers or agreements before the expiry of this power which would or might require equity securities to be allotted after such expiry as if the power conferred by this Resolution had not expired; and so that words and expressions defined in or for the purposes of Part 17 of the Act shall bear the same meanings in this resolution.

#### **Authority to Make Market Purchases of Shares**

16. That:

the Company be generally and subject as hereinafter appears unconditionally authorised in accordance with Section 701 of the Companies Act 2006 as amended from time to time prior to the date of the passing of this resolution (the 'Act') to make market purchases (within the meaning of Section 693(4) of the Act) of its issued ordinary shares of 10p each in the capital of the Company ('Shares').

PROVIDED ALWAYS THAT:

- (i) the maximum number of Shares hereby authorised to be purchased shall be 30,548,593 or 14.99% of shares in issue as at 15 July 2025;
- (ii) the minimum price which may be paid for a Share shall be 10p;
- (iii) the maximum price which may be paid for a Share must not be more than the higher of: (i) 5% above the average of the mid-market values of the Shares for the five business days before the purchase is made; and (ii) the higher of the price of the last independent trade in the Shares and the highest then current independent bid for the Shares on the London Stock Exchange;
- (iv) any purchase of Shares will be made in the market for cash at prices below the prevailing net asset value per Share (as determined by the Directors);
- (v) the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company, or the date 15 months after the passing of this resolution, whichever is the earlier, unless the authority is renewed or revoked at any other general meeting prior to such time;
- (vi) the Company may make a contract to purchase Shares under the authority hereby conferred prior to the expiry of such authority which will be executed wholly or partly after the expiration of such authority and may make a purchase of Shares pursuant to any such contract; and
- (vii) any shares so purchased shall be cancelled or, if the Directors so determine and subject to the provisions of Sections 724 to 731 of the Act and any applicable regulations of the United Kingdom Listing Authority, be held (or otherwise dealt with in accordance with Section 727 or 729 of the Act) as treasury shares.

#### **Period of Notice Required for General Meetings**

17. That:

the period of notice required for general meetings of the Company (other than AGMs) shall be not less than 14 days.

#### **Cancellation of Share Premium Account**

18. That, subject to the confirmation of the Court, the Company be and is authorised to cancel the amount standing to the credit of the share premium account of the Company, and the amount by which the share premium account is so cancelled be credited to a distributable reserve which shall be capable of being applied in any manner in which the Company's profits available for distribution (as determined in accordance with the Companies Act 2006) are able to be applied.

Dated this 16 July 2025

By order of the Board

**Invesco Asset Management Limited**

Corporate Company Secretary

## Notes:

1. A member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and, on a poll, to vote in his stead. Where more than one proxy is appointed, each proxy must be appointed to exercise the rights attached to a different share or shares. A proxy need not be a member of the Company. However, if you appoint the Chairman of the AGM as your proxy, this will ensure that your votes are cast in accordance with your wishes. If any other person is appointed as your proxy, they may not be able to attend the meeting to vote on your behalf. In order to be valid an appointment of proxy must be returned by one of the following methods:

- electronically via the Investor Centre app or web browser at <https://uk.investorcentre.mpms.mufg.com/>
- via Proxymity (see note 5); or
- In hard copy form by post, by courier or by hand to the Company's registrars, MUFG Corporate Markets (formerly known as Link Group), PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL; or
- In the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below

and in each case to be received by the Company not less than 48 hours before the time of the meeting (excluding weekends and bank holidays). Shareholders wishing to appoint a proxy should therefore appoint the Chairman of the AGM. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

2. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service providers(s) who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in this document. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take or, if the CREST member is a CREST Personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s), such action as shall be necessary to ensure that a message is transmitted by means of the

CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

3. A form of proxy is enclosed. Appointment of a proxy (whether by completion of a form of proxy, or other instrument appointing a proxy or any CREST or Proxymity proxy instruction) does not prevent a member from attending and voting at this meeting.

To be effective, the form of proxy, duly completed and executed, together with any power of attorney or other authority under which it is signed (or notarially certified copy thereof) must be lodged at the office of the Company's registrars, MUFG Corporate Markets (formerly known as Link Group), PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL, by not later than 12 noon on 16 September 2025.

4. Shareholders can vote electronically via the Investor Centre, a free app for smartphone and tablet provided by MUFG Corporate Markets (the company's registrar). It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below. Alternatively, you may access the Investor Centre via a web browser at: <https://uk.investorcentre.mpms.mufg.com/>

Apple App Store



GooglePlay



Your vote must be lodged by 12pm on 16 September 2025 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting.

5. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged by 12pm on 16 September 2025 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

6. A person entered on the Register of Members at the close of business on 16 September 2025 ('a member') is entitled to attend and vote at the Meeting pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001. Any changes to the Register of Members after such time and date shall be disregarded in determining the rights of any person to attend and/or vote at the Meeting. If the Meeting is adjourned, entitlement to attend and vote at the adjourned meeting, and the number of votes which may be cast thereat, will be determined by reference to the Company's register of member 48 hours before the time fixed for the adjourned meeting.

7. The Register of Directors' interests, Schedule of Matters Reserved for the Board, and the terms of reference of the Audit Committee, the Management Engagement Committee, the Nomination Committee and the Remuneration Committee will be available for inspection by request to the Company Secretary.
8. A copy of the Articles of Association are available for inspection by request to the Company Secretary.
9. Any person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may have a right, under an agreement between him/her and the member by whom he/she was nominated, to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right, under such an agreement, to give instructions to the member as to the exercise of voting rights.  
  
The statement of the above rights of the members in relation to the appointment of proxies does not apply to Nominated Persons. Those rights can only be exercised by shareholders of the Company.
10. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
11. Any member attending the AGM, should this be permitted by Government restrictions at the time, has the right to ask questions under section 319A of the Companies Act 2006. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.
12. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in this Notice (or in any related documents including the proxy form) to communicate with the Company for any purposes other than those expressly stated.
13. As at 15 July 2025, the Company's issued share capital consisted of 203,793,151 ordinary 10p shares each carrying one vote and a further 13,826,594 ordinary 10p shares held in treasury which do not carry votes.
14. To the extent that any voting takes place on a show of hands, every member who is present in person or by proxy has a right to one vote (except that if a proxy's instructions include votes for and against (in respect of different shares) the proxy has one vote for and one vote against on a show of hands). However, it is anticipated that the Chairman of the meeting will demand that the voting on all resolutions put to the AGM will be by poll. On a poll the poll will be decided on the basis of one vote per share.
15. A copy of this notice (which is at the back of the annual financial report), and other information required by Section 311A of the Companies Act 2006, can be found at [www.invesco.co.uk/invescoasia](http://www.invesco.co.uk/invescoasia).
16. Shareholders should note that it is possible that, pursuant to requests made by members of the Company under Section 527 of the Companies Act 2006 (the 'Act'), the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual financial reports were laid in accordance with Section 437 of the Act (in each case) that the members propose to raise at the relevant AGM. The Company may not require the members requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under Section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under Section 527 of the Act to publish on a website.
17. The following documents may be inspected at the registered office of the Company during business hours on any weekday (Saturdays, Sundays and Bank Holidays excluded) from the date of this Notice of AGM to the date of the AGM and will be available for inspection at the AGM, if appropriate, from 11.45am on 18 September 2025 until the conclusion of the meeting:
  - copies of the letters of appointment of the Non-Executive Directors.

# Shareholder Information

## Company History

Invesco Asia Dragon Trust plc (the 'Company') formerly Invesco Asia Trust plc began trading on 11 July 1995, and is a successor company to the Drayton Far East Investment Trust plc. On 13 February 2024 the Company acquired approximately £544 million of net assets from its combination with Asia Dragon Trust plc.

The shares of the Company are quoted on the London Stock Exchange.

## Share Price Listings

Share price information can be found using the IAD ticker code and on the Company's page of the Manager's website: [www.invesco.co.uk/invescoasia](http://www.invesco.co.uk/invescoasia).

## Net Asset Value ('NAV') Publication

The NAV of the Company's ordinary shares is calculated by the Manager on a daily basis and is notified to the London Stock Exchange on the next business day. It is published daily and can be found on the Company's page of the Manager's website: [www.invesco.co.uk/invescoasia](http://www.invesco.co.uk/invescoasia).

## Manager's Website

Information relating to the Company can be found on the Company's page of the Manager's website which is located at [www.invesco.co.uk/invescoasia](http://www.invesco.co.uk/invescoasia).

The contents of websites referred to in this document, or accessible from links within those websites, are not incorporated into, nor do they form part of this financial report.

## General Data Protection Regulation ('GDPR')

The Company has a privacy notice which sets out what personal data is collected, and how and why it is used. The latest privacy notice can be found at [www.invesco.co.uk/invescoasia](http://www.invesco.co.uk/invescoasia) under the 'Literature' section, or a copy can be obtained from the Company Secretary whose correspondence address is shown on the next page.

## Financial Calendar

In addition, the Company publishes information according to the following calendar:

### Announcements

Half-yearly unaudited results	January
Annual financial results	July

### Ordinary Share Dividend Payment

First Interim	July
Second Interim	October
Third Interim	January
Fourth Interim	April

### Annual General Meeting

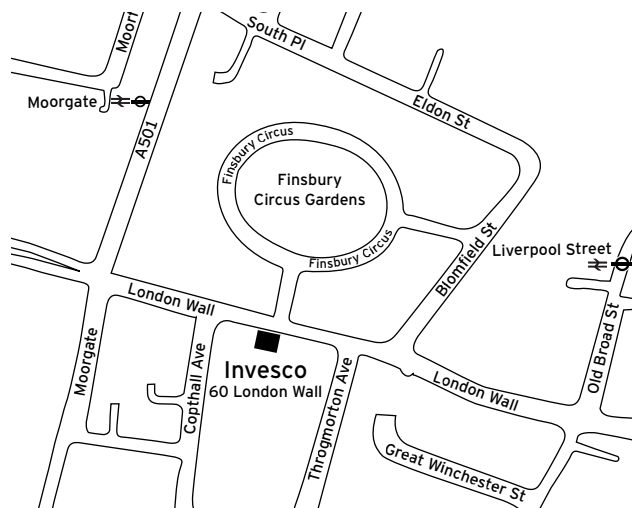
September

### Year end

30 April

## Annual General Meeting

The Annual General Meeting (AGM) will be held at 12 noon on Thursday, 18 September 2025 at 60 London Wall, London EC2M 5TQ.



## Be ScamSmart

### Investment scams are designed to look like genuine investments

#### Spot the warning signs

Have you been:

- contacted out of the blue
- promised tempting returns and told the investment is safe
- called repeatedly, or
- told the offer is only available for a limited time?

If so, you might have been contacted by fraudsters.

### Avoid investment fraud

#### 1 Reject cold calls

If you've received unsolicited contact about an investment opportunity, chances are it's a high risk investment or a scam. You should treat the call with extreme caution. The safest thing to do is to hang up.

#### 2 Check the FCA Warning List

The FCA Warning List is a list of firms and individuals we know are operating without our authorisation.

#### 3 Get impartial advice

Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

**Remember: if it sounds too good to be true, it probably is!**

### Report a Scam

If you suspect that you have been approached by fraudsters please tell the FCA using the reporting form at [www.fca.org.uk/consumers/report-scam-unauthorised-firm](http://www.fca.org.uk/consumers/report-scam-unauthorised-firm). You can also call the FCA Consumer Helpline on **0800 111 6768**

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at [www.actionfraud.police.uk](http://www.actionfraud.police.uk)

**Find out more at**  
[www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)



# Advisers and Principal Service Providers

## Registered Office

Perpetual Park  
Perpetual Park Drive  
Henley-on-Thames  
Oxfordshire RG9 1HH

## Company Number

Registered in England and Wales  
Number 3011768

## Alternative Investment Fund Manager ('Manager')

Invesco Fund Managers Limited

## Company Secretary

Invesco Asset Management Limited  
Company Secretarial contact: James Poole  
☎ 020 7543 3559  
email: James.Poole@invesco.com

## Correspondence Address:

60 London Wall  
London EC2M 5TQ  
☎ 020 3753 1000  
Email: investmenttrusts@invesco.com

## Invesco Client Services

Invesco has a Client Services Team, available from 8.30am to 6.00pm, Monday to Friday (excluding bank holidays). Please feel free to take advantage of their expertise by ringing:  
☎ 0800 085 8677  
[www.invesco.co.uk/investmenttrusts](http://www.invesco.co.uk/investmenttrusts)

## The Association of Investment Companies

The Company is a member of the Association of Investment Companies.

Contact details are as follows:  
☎ 020 7282 5555  
Email: [enquires@theaic.co.uk](mailto:enquires@theaic.co.uk)  
Website: [www.theaic.co.uk](http://www.theaic.co.uk)

## Independent Auditor

Ernst & Young LLP  
25 Churchill Place  
Canary Wharf  
London E14 5EY

## Depository, Custodian and Banker

The Bank of New York Mellon (International) Limited  
160 Queen Victoria Street  
London EC4V 4LA

## Corporate Broker

Investec Bank plc  
30 Gresham Street  
London EC2V 7QP

## Registrar

MUFG Corporate Markets (formerly known as Link Group)  
Central Square  
29 Wellington Street  
Leeds LS1 4DL  
☎ 0371 664 0300

If you hold your shares directly as a paper share certificate and not through an investment platform or savings scheme and have queries relating to your shareholding you should contact the company's Registrar, MUFG Corporate Markets, via email on [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com) or on: ☎ 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider.

MUFG Corporate Markets provides an on-line and telephone share dealing service for paper share certificates to existing shareholders who are not seeking advice on buying or selling. This service is available at [dealing.cm.mpms.mufg.com](http://dealing.cm.mpms.mufg.com) or (☎ 0371 664 0445). Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the UK will be charged at the applicable international rate. Lines are open 9.00am to 5.30pm Monday to Friday (excluding Bank Holidays in England and Wales).

Shareholders holding paper share certificates can also access their holding details via the Investor Centre app or the website at <https://uk.investorcentre.mpms.mufg.com>.

MUFG Corporate Markets is the business name of MUFG Corporate Markets (UK) Limited, a division of MUFG Pension & Market Services.

Alternatively, you can also buy and sell shares yourself through a wide variety of 'execution-only' investment platforms - where you make the investment decisions and your shares are held electronically in an account on your behalf. These tend to be also mean you do not need to worry about losing your certificate.

Most investment platforms allow you to manage your investment trust holdings online, as well as access to a wide range of investment options.

Platforms generally charge fees for holding and trading shares. You can find a list of the major platforms at: <https://www.invesco.com/uk/en/investment-trusts/invesco-insights/how-to-invest-in-investment-trusts.html>

## Investor Warning

The Company, Invesco and the Registrar would never contact members of the public to offer services or require any type of upfront payment. If you suspect you have been approached by fraudsters, please contact the FCA consumer helpline on 0800 111 6768 and Action Fraud on 0300 123 2040. Further details for reporting frauds, or attempted frauds, can be found on page 84.

## Manager's Website

Information relating to the Company can be found on the Company's section of the Manager's website, which can be located at [www.invesco.co.uk/invescoasia](http://www.invesco.co.uk/invescoasia).

The contents of websites referred to in this document, or accessible links within those websites, are not incorporated into, nor do they form part of, this financial report.

# Glossary of Terms and Alternative Performance Measures

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## Glossary of Terms

### (Discount)/Premium

Discount is a measure of the amount by which the mid-market price of an investment company share is lower than the underlying net asset value (NAV) of that share. Conversely, Premium is a measure of the amount by which the mid-market price of an investment company share is higher than the underlying net asset value of that share. In this annual financial report the discount is expressed as a percentage of the net asset value per share and is calculated according to the formula set out below. If the shares are trading at a premium the result of the below calculation will be positive and if they are trading at a discount it will be negative.

### Gearing

The gearing percentage reflects the amount of borrowings that a company has invested. This figure indicates the extra amount by which net assets, or shareholders' funds, would move if the value of a company's investments were to rise or fall. A positive percentage indicates the extent to which net assets are geared; a nil gearing percentage, or 'nil', shows a company is ungeared. A negative percentage indicates that a company is not fully invested and is holding net cash as described in the Alternative Performance Measures section below.

### Leverage

Leverage, for the purposes of the Alternative Investment Fund Managers Directive (AIFMD), is not synonymous with gearing as defined above. In addition to borrowings, it encompasses anything that increases the Company's exposure, including foreign currency and exposure gained through derivatives. Leverage expresses the Company's exposure as a ratio of the Company's net asset value. Accordingly, if a Company's exposure was equal to its net assets it would have leverage of 100%. Two methods of calculating such exposure are set out in the AIFMD, gross and commitment. Under the gross method, exposure represents the aggregate of all the Company's exposures other than cash balances held in base currency and without any offsetting. The commitment method takes into account hedging and other netting arrangements designed to limit risk, offsetting them against the underlying exposure.

### Net Asset Value ('NAV')

Also described as shareholders' funds, the NAV is the value of total assets less liabilities. The NAV per share is calculated by dividing the net asset value by the number of ordinary shares in issue. The number of ordinary shares for this purpose excludes those ordinary shares held in treasury.

### Ongoing Charges Ratio

The ongoing administrative costs of operating the Company are encapsulated in the ongoing charges ratio, which is calculated in accordance with guidance issued by the AIC. The calculation incorporates charges allocated to capital in the Annual Financial Statements as well as those allocated to revenue, but excludes non-recurring costs, transaction costs of investments, finance costs, taxation, and the costs of buying back or issuing shares. The ongoing charges ratio is the aggregate of these costs expressed as a percentage of the daily average net asset value reported in the year.

### Portfolio Beta

The portfolio beta is a measure of the portfolio's sensitivity to market movements. The beta of the market is 1.00 by definition. A beta of 1.10 shows that the portfolio is expected to perform 10% better than its benchmark index in rising markets and 10% worse in falling markets, assuming all other factors remain constant. Conversely, a beta of 0.90 indicates that the portfolio is expected to perform 10% worse than the benchmark index during rising markets and 10% better during falling markets. The beta of the Company's portfolio was 1.07 as at 30 April 2025.

### Return

The return generated in a period from the investments including the increase and decrease in the value of investments over time and the income received.

### Capital Return

Reflects the return on NAV, from the increase and decrease in the value of investments, but excluding any dividends reinvested.

## Total Return

Total return is the theoretical return to shareholders that measures the combined effect of any dividends paid, together with the rise or fall in the share price or NAV. In this annual financial report these return figures have been sourced from LSEG Data & Analytics who calculate returns on an industry comparative basis. The figures calculated below are one year total returns, however the same calculation would be used for three and five year total returns where quoted in this report, taking the respective Net Asset Values and Share Prices period for the opening and closing periods and adding the impact of dividend reinvestments for the relevant periods.

### NAV Total Return

Total return on net asset value per share, assuming dividends paid by the Company were reinvested into the shares of the Company at the NAV per share at the time the shares were quoted ex-dividend.

### Share Price Total Return

Total return to shareholders, on a mid-market price basis, assuming all dividends received were reinvested, without transaction costs, into the shares of the Company at the time the shares were quoted ex-dividend.

### Benchmark Total Return

The benchmark of the Company is the MSCI AC Asia ex Japan Index (total return, net of withholding tax, in sterling terms). Total return on the benchmark is on a mid-market value basis, assuming all dividends received were reinvested, without transaction costs, into the shares of the underlying companies at the time the shares were quoted ex-dividend.

## Alternative Performance Measures ('APM')

An APM is a measure of performance or financial position that is not defined in applicable accounting standards and cannot be directly derived from the Annual Financial Statements. The calculations shown in the corresponding tables are for the years ended 30 April 2025 and 2024. The APMs listed here are widely used in reporting within the investment company sector and consequently aid comparability.

### (Discount)/Premium (APM)

	Page		2025	2024
Share price	5	a	320.00p	313.00p
Net asset value per share (note 15)	73	b	356.31p	361.51p
<b>Discount</b>		c = (a-b)/b	(10.2)%	(13.4)%

The average discount for the year is the arithmetic average, over a year, of the daily discount calculated on the same basis as shown above.

### Dividend Yield (APM)

The annual dividend payable in respect of the year expressed as a percentage of the year end share price.

	Page		2025	2024
Dividends per share payable in respect of the year (note 8)	71	a	15.60p	14.10p
Share price	5	b	320.00p	313.00p
<b>Dividend yield</b>		c = a/b	4.9%	4.5%

### Gross Gearing (APM)

This reflects the amount of gross borrowings in use by a company and takes no account of any cash balances. It is based on gross borrowings as a percentage of net assets. As at 30 April 2025 the Company had £43,923,000 gross borrowings (2024: £12,676,000).

	Page		2025 £'000	2024 £'000
Bank facility (note 11)	72		43,923	12,626
Bank overdraft			-	50
Gross borrowings		a	43,923	12,676
Net assets	65	b	729,912	238,266
<b>Gross gearing</b>		c = a/b	6.0%	5.3%

## Net Gearing or Net Cash (APM)

Net gearing reflects the amount of net borrowings invested, i.e. borrowings less cash and cash equivalents (incl. investments in money market funds). It is based on net borrowings as a percentage of net assets. Net cash reflects the net exposure to cash and cash equivalents, as a percentage of net assets, after any offset against total borrowings.

	Page		2025 £'000	2024 £'000
Bank facility (note 11)	72		43,923	12,626
Bank overdraft			-	50
Less: cash and cash equivalents	65		(2,400)	(537)
Less: Invesco Liquidity Fund - US Dollar (money market fund)			-	(1,494)
Net borrowings		a	41,523	10,645
Net asset value	65	b	729,912	238,266
<b>Net gearing</b>		c = a/b	5.7%	4.5%

## Ongoing Charges Ratio (APM)

	Page		2025 <sup>(1)</sup> £'000	2024 £'000
Investment management fee (note 3)	69		1,734	1,763
Other expenses (note 4)	69		2,427	696
Less: costs in relation to custody dealing charges, one off marketing charge and one off legal costs			(1,613)	(19)
Total recurring expenses		a	2,548	2,440
Average daily net asset value		b	350,787	235,905
<b>Ongoing charges ratio %</b>		c = a/b	0.73%	1.03%

(1) The ongoing charge for the year ended 30 April 2025, includes the pro-rata effect of the management fee waiver of the Manager in respect of its contribution to the costs of the Company's combination with Asia Dragon Trust plc from the date of the combination until 30 April 2025. The prospective ongoing charge, without any management fee waiver, is estimated to be approximately 0.77%.

## Total Return (APM)

2025	Page		Net Asset Value Total Return	Share Price Total Return
As at 30 April 2025	5		356.31p	320.00p
As at 30 April 2024	5		361.51p	313.00p
Change in year		a	-1.4%	2.2%
Impact of dividend reinvestments <sup>(1)</sup>		b	4.2%	4.9%
<b>Total return for the year</b>		c = a+b	2.8%	7.1%

2024	Page		Net Asset Value Total Return	Share Price Total Return
As at 30 April 2024	5		361.51p	313.00p
As at 30 April 2023	6		366.48p	321.00p
Change in year		a	-1.4%	-2.5%
Impact of dividend reinvestments <sup>(1)</sup>		b	4.1%	4.7%
<b>Total return for the year</b>		c = a+b	2.7%	2.2%

(1) Total dividends paid during the year of 15.60p (2024: 14.10p) reinvested at the NAV or share price on the ex-dividend date. NAV or share price falls subsequent to the reinvestment date consequently further reduce the returns, vice versa if the NAV or share price rises.

# Alternative Investment Fund Managers Directive Disclosures

## Alternative Investment Fund Manager ('AIFM') and the Alternative Investment Fund Managers Directive (the 'AIFMD', the Directive)

Invesco Fund Managers Limited ('IFML') was authorised as an AIFM, and appointed by the Company as such, with effect from 22 July 2014. IFML is an associated company of Invesco Asset Management Limited ('IAML'), the previous Manager, and IAML continues to manage the Company's investments under delegated authority from IFML. In accordance with the Directive, the Company qualifies as an Alternative Investment Fund ('AIF').

Amongst other things, regulations enacted following AIFMD require certain information to be provided to prospective investors. This information can be found in the Company's section of the Manager's website ([www.invesco.co.uk/invescoasia](http://www.invesco.co.uk/invescoasia)) in a downloadable document entitled 'AIFMD Investor Information'. There have been no material changes to this information in the year to 31 January 2025 or up to the date of this report. Any information requiring immediate disclosure pursuant to the Directive will be disclosed through a primary information provider.

In addition, the Directive requires information in relation to the Company's leverage (both 'gross' and 'commitment' - see Glossary on page 86) and the remuneration of the Company's AIFM ('IFML') to be made available to investors.

Accordingly:

- the leverage calculated for the Company at its year end was 106% for both gross and commitment (2024: both 106%). The limits the AIFM has set for the Company remain unchanged at 250% and 200%, respectively;
- the AIFM summary remuneration policy is available from the corporate policies section of the Manager's website [www.invesco.com/uk](http://www.invesco.com/uk) and from the Company's Company Secretary, on request (see contact details on page 85); and
- the AIFM remuneration paid for the year to 31 December 2024 is set out below.

## AIFM Remuneration

### Remuneration policy

On 18 March 2016, Invesco Fund Managers Limited (the 'Manager') adopted a remuneration policy consistent with the principles outlined in the European Securities and Markets Authority (ESMA) Guidelines, on sound remuneration policies under the AIFM Directive.

The policy was revised in 2024, to include specificities for some Invesco EU regulated Management Companies. The Manager was not impacted by the changes.

The purpose of the remuneration policy is to ensure the remuneration of the staff of the Manager is consistent with and promotes sound and effective risk management, does not encourage risk-taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Manager and of the AIF it manages and does not impair the Manager's compliance with its duty to act in the best interests of the AIF it manages. The Manager's summary remuneration policy is available from the corporate policies section of our website ([www.invesco.com/uk](http://www.invesco.com/uk)). Paper copies of the full remuneration policy can be obtained for free from the registered office of the Manager, Invesco Fund Managers Limited, Perpetual Park, Perpetual Park Drive, Henley-on-Thames, Oxfordshire, RG9 1HH, UK upon request.

The remuneration policy is reviewed annually by the Compliance, Human Resources and Risk Management functions, who recommend any adjustments to ensure continued alignment of the policy with sound risk management. The board of directors of the Manager are responsible for the oversight of remuneration and for ensuring adherence to this policy through the Human Resources function.

The Internal Audit function conducts regular testing of administration of the remuneration policy to assess its ongoing compliance with the Invesco Group's remuneration policies and procedures.

The Manager does not employ any direct staff. All staff involved in the AIF related activities of IFML are employed and paid by various entities of the Invesco Ltd. Group.

The aggregate total remuneration of Invesco staff involved in AIF related activities of the Manager in respect of performance year 2024 (1 January 2024 to 31 December 2024) is £1.43 million of which £0.90 million is fixed remuneration and £0.53 million is variable remuneration. The number of beneficiaries apportioned to AIFMD activities is seven.

The Manager has identified individuals considered to have a material impact on the risk profile of the Manager or the AIF it manages ('Identified Staff'), who include board members of the Manager, senior management, heads of control functions, other risk takers and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers.

The aggregate total remuneration paid to the Identified Staff of the Manager for AIF related activities for the performance year 2024 (1 January 2024 to 31 December 2024) is £0.44 million of which £0.19 million is paid to Senior Management and £0.25 million is paid to other Identified Staff. Please note that remuneration for AIFMD Identified Staff includes remuneration for staff employed by delegates.



The Manager of Invesco Asia Dragon Trust plc is Invesco Fund Managers Limited.

Invesco Fund Managers Limited is a wholly owned subsidiary of Invesco Limited and is authorised and regulated by the Financial Conduct Authority.

Invesco is one of the largest independent global investment management firms, with funds under management of \$2,001.4 billion.\*

Invesco aims to provide the highest returns available from markets, through active management, but in a controlled manner, conscious of the risks involved and within our clients' objectives.

\*As at 30 June 2025