

# Aberdeen New Dawn Investment Trust PLC



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## Investment Objective

To provide shareholders with a high level of capital growth through equity investment in the Asia Pacific countries ex Japan.

## Benchmark

MSCI All Countries Asia Pacific ex Japan Index (Sterling adjusted).

# Financial Highlights, Performance and Financial Calendar

## Financial Highlights

	31 October 2018	30 April 2018	% change
Total assets including current year income <sup>A</sup>	301,419,000	339,874,000	-11.3
Total equity shareholders' funds	268,242,000	311,816,000	-14.0
Share price (mid-market) <sup>B</sup>	204.0p	236.0p	-13.6
Net asset value per share (including current year income) <sup>B</sup>	238.1p	272.4p	-12.6
Net asset value per share (excluding current year income) <sup>BC</sup>	235.1p	268.9p	-12.6
Discount to net asset value (including current year income) <sup>B</sup>	14.3%	13.4%	
Discount to net asset value (excluding current year income) <sup>BC</sup>	13.2%	12.2%	
MSCI AC Asia Pacific ex Japan Index (currency adjusted) <sup>B</sup>	690.8	773.1	-10.6
Interim dividend per share <sup>D</sup>	1.0p	1.0p	-
Ongoing charges ratio <sup>BE</sup>	0.87%	0.84%	

<sup>A</sup> Total assets which includes current year income, less current liabilities, before deducting any prior charges.

<sup>B</sup> Percentage change figures are on a capital return basis.

<sup>C</sup> Considered to be an Alternative Performance Measure.

<sup>D</sup> Interim dividend relating to the first six months of the financial year.

<sup>E</sup> Considered to be an Alternative Performance Measure. Ongoing charges ratio has been calculated in accordance with guidance issued by the AIC as the total of the management fee and administrative expenses divided by the average cum income net asset value throughout the year. The ratio for 31 October 2018 is based on forecast ongoing charges for the year ending 30 April 2019.

## Performance (total return)

	Six months ended 31 October 2018	Year ended 30 April 2018
Share price <sup>A</sup>	-12.3%	+13.3%
Net asset value <sup>A</sup>	-11.5%	+12.9%
MSCI AC Asia Pacific ex Japan Index (currency adjusted)	-8.8%	+13.0%

<sup>A</sup> Considered to be an Alternative Performance Measure. Further details can be found on page 16.

## Financial Calendar

25 January 2019	Interim dividend payable for the year ending 30 April 2019
June 2019	Announcement of results for the year ending 30 April 2019
July 2019	Annual Report posted to shareholders
4 September 2019	Annual General Meeting (London)
13 September 2019	Final dividend payable for the year ending 30 April 2019

# Interim Board Report – Chairman’s Statement

## Results and Dividend

In the six months ending 31 October 2018, the Company’s net asset value (“NAV”) declined by 11.5% on a total return basis, compared with the benchmark MSCI All Countries Asia Pacific ex Japan Index which fell by 8.8%. The share price total return was -12.3% and the share price at the end of the period was 204.0p, which represented a discount of 13.2% to the NAV per share (excluding current year income).

The Board declares an unchanged interim dividend for the year of 1.0p per Ordinary share, which will be paid on 25 January 2019 to shareholders on the register on 4 January 2019 (the relevant ex-dividend date being 3 January 2019). Shareholders should be aware that, as in previous years, the level of future dividends will depend on the income from the portfolio.

## Overview

Asian equity markets fell during the period under review, largely due to a further deterioration of trade relations between the US and China. A strong US Dollar also had a negative impact on some emerging market currencies, although in Asia they generally fared better than their counterparts. The exceptions were the Indonesian Rupiah and Indian Rupee which succumbed to concerns over those countries’ widening current account deficits. As large importers of oil, both economies were affected negatively by the higher oil price.

Unsurprisingly, China was one of the worst performing markets owing to the anticipated slowdown in economic growth following the imposition of US trade tariffs. The Government responded by introducing measures to support growth and liquidity. Against such a backdrop, the Company’s portfolio benefited from a lower exposure to the mainland relative to the benchmark.

Stock selection in China had a positive impact on the Company’s performance. In particular, the holdings in financial group **Ping An Insurance** and property developer **China Resources Land** benefited from robust profit growth. The Company’s exposure to China has increased despite persistent concerns over corporate governance. With the application of extensive due diligence, your Manager has been able to identify a number of quality companies across a range of sectors, ranging from hotels to healthcare. A key example is **Wuxi Biologics**, a leading contract research organisation for biologics.

A more uncertain outlook for economic growth in the region had a negative impact on the returns for the financial sector and, more specifically, on the Company’s larger bank holdings. **Standard Chartered’s** share price

fell as investors questioned its reliance on China’s trade flows and its growth prospects as a result of trade tensions. Shares in the recently purchased **Techcombank** fell in line with the Vietnamese market despite reporting good growth in profits. Elsewhere, regulatory measures continued to affect the Australian banks which experienced a strong rebound following the sell-off earlier in the year in response to increased regulatory scrutiny into financial misconduct. While the Company benefited in the previous financial year from not holding any Australian banks, this detracted from performance during the period under review.

Additionally, the performance of the Singapore market, a country key to your Company’s portfolio, had an adverse impact on performance. The government intervened to cool the domestic property market, and the severity of its measures caught many by surprise. This had an impact on the Company’s holding in the real estate company **City Developments**.

The market volatility during the period provided your Manager with opportunities to acquire a number of new holdings at attractive valuations. In particular, your Manager’s willingness to look beyond traditional markets produced new investment ideas, such as **Techcombank** and mobile-device retailer **Mobile World** in Vietnam. **Techcombank** is run by an internationally-experienced management team focused on growing profitability rather than market share. The bank focuses on providing retail banking for the upper-income segments rather than the corporate market, and is supported by investments in technology and processes. Similarly, **Mobile World** has been able to apply technology to its retail network thereby increasing its exposure to e-commerce in a relatively underpenetrated market.

These additions to the portfolio have been partly funded by increasing the level of gearing. While this strategy has had a negative impact on performance in a declining market, your Manager believes that these holdings present exciting potential for the future.

## Gearing

Throughout the period, the Company had a £35 million loan facility with The Royal Bank of Scotland, with a maturity date of 7 October 2019. The facility comprised a fixed rate loan of £5 million and a £30 million multi-currency revolving loan facility. An aggregate Sterling equivalent of £33.2 million was drawn down at the period end, mostly denominated in US and Hong Kong Dollars. Gearing (net of cash) was 11.4% as at 31 October 2018 compared to 7.6% at the start of the period.



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The Directors have considered a number of refinancing options for the loan facility given the approaching maturity date. Consequently, since the end of October the Company has cancelled the £30 million multi-currency revolving loan facility and has entered into a new loan agreement with The Royal Bank of Scotland, comprising a five year fixed rate loan of £20 million, with an interest rate of 2.626%, and a £15 million three year multi-currency revolving loan facility. This will temporarily increase the Company's borrowing facilities to £40 million until the £5 million fixed rate loan matures in October 2019, at which point the value of the Company's borrowing facilities will return to £35 million.

### Share Buy Backs

In line with other investment trusts, the Company has bought back shares in order to provide a degree of liquidity to the market. It is the view of the Board that this policy is in the interest of shareholders and we review its operation at each Board meeting. During the period, the Company bought back 1.8 million shares to be held in treasury, representing 1.6% of the issued share capital. The shares held in treasury can only be issued to the market if and when the Ordinary shares are trading at a premium to the NAV.

### Board Composition

As previously announced, Donald Workman was appointed as an independent non-executive Director of the Company with effect from 1 October 2018. Donald had an executive career at The Royal Bank of Scotland until 2016 where, over a period of 23 years, he held a number of senior positions which latterly included acting as Executive Chairman of the group's Asia Pacific business. He was a member of the RBS Group Executive Committee from 2014. He was also an independent non-executive director of Standard Life Private Equity Trust plc between 2006 and 2013 and he is currently non-executive Chairman of JCB Finance Limited.

### Outlook

The short term outlook for the Asia Pacific region remains uncertain owing to geopolitical concerns including rising trade tensions, higher interest rates and slowing global economic growth. However, macroeconomic fundamentals for the region are relatively positive compared to the rest of the world with higher economic and corporate profit growth as well as robust balance sheets. In this environment, your Manager's investment process should yield better returns given the Company's holdings have been selected for their skilled management teams and competitive advantages, giving them the potential to outperform over the longer term.

### David Shearer

Chairman

19 December 2018

# Interim Board Report – Other Matters

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## Directors' Responsibility Statement

The Directors are responsible for preparing the Half-Yearly Financial Report in accordance with applicable laws and regulations. The Directors confirm that to the best of their knowledge:

- the condensed set of financial statements within the Half-Yearly Financial Report has been prepared in accordance with Financial Reporting Standard 104 'Interim Financial Reporting';
- the Interim Board Report (constituting the Interim Management Report) includes a fair review of the information required by rule 4.2.7R of the UK Listing Authority's Disclosure Guidance and Transparency Rules (being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year) and 4.2.8R (being related party transactions that have taken place during the first six months of the financial year and that have materially affected the financial position of the Company during that period, and any changes in the related party transactions described in the last Annual Report that could do so).

## Principal Risks and Uncertainties

The Board regularly reviews the principal risks and uncertainties faced by the Company together with the mitigating actions it has established to manage the risks. These are set out within the Strategic Report contained within the Annual Report for the year ended 30 April 2018 and comprise the following risk headings:

- Investment strategy and objectives
- Investment management
- Income/dividends
- Financial
- Gearing
- Regulatory
- Operational

The Board has reviewed and considered the potential impact of the current geopolitical environment including Brexit and trade tensions. Apart from this, the Company's principal risks and uncertainties have not changed materially since the date of the Annual Report and are not expected to change materially for the remaining six months of the Company's financial year.

## Going Concern

The Company's assets consist substantially of equity shares in companies listed on recognised stock exchanges and in most circumstances are realisable within a short timescale. The Board has set limits for borrowing and regularly reviews cash flow projections and compliance with banking covenants. The Directors believe that, after making enquiries, the Company has adequate resources to continue in operational existence for the foreseeable future and has the ability to meet its financial obligations as they fall due for a period of at least twelve months from the date of approval of this Report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

On behalf of the Board

**David Shearer**

Chairman

19 December 2018

# Investment Portfolio

As at 31 October 2018

Company	Country	Valuation £'000	Total assets %
Aberdeen Global – Indian Equity Fund <sup>A</sup>	India	31,566	10.5
Aberdeen Global – China A Share Equity Fund <sup>A</sup>	China	17,250	5.7
Samsung Electronics Pref	South Korea	15,969	5.3
Taiwan Semiconductor Manufacturing Company	Taiwan	12,753	4.2
Jardine Strategic Holdings	Hong Kong	12,382	4.1
Tencent Holdings	China	11,653	3.9
Ayala Land	Philippines	9,982	3.3
Oversea-Chinese Banking Corporation	Singapore	9,914	3.3
Bank Central Asia	Indonesia	8,701	2.9
AIA Group	Hong Kong	8,558	2.8
Top ten investments		<b>138,728</b>	<b>46.0</b>
CSL	Australia	6,779	2.3
Rio Tinto <sup>B</sup>	Australia	6,734	2.2
Siam Cement (Foreign)	Thailand	6,642	2.2
Ping An Insurance H Shares	China	6,170	2.0
BHP Billiton <sup>B</sup>	Australia	6,060	2.0
HSBC Holdings	Hong Kong	5,862	1.9
Hong Kong Exchanges & Clearing	Hong Kong	5,782	1.9
Keppel Corporation	Singapore	5,335	1.8
Aberdeen New India Investment Trust <sup>AB</sup>	India	5,286	1.8
Swire Properties	Hong Kong	5,056	1.7
Top twenty investments		<b>198,434</b>	<b>65.8</b>
China Resources Land	China	4,921	1.6
China Mobile	China	4,901	1.6
City Developments	Singapore	4,763	1.6
DBS Group Holdings	Singapore	4,502	1.5
Yum China Holdings	China	4,461	1.5
M.P. Evans Group <sup>B</sup>	United Kingdom	4,123	1.4
Anhui Conch Cement H Shares	China	3,644	1.2
John Keells Holdings	Sri Lanka	3,479	1.2
Public Bank Berhad	Malaysia	3,315	1.1
Kerry Logistics Network	Hong Kong	3,315	1.1
Top thirty investments		<b>239,858</b>	<b>79.6</b>
Singapore Telecommunication	Singapore	3,254	1.1
United Overseas Bank	Singapore	3,191	1.1
Vietnam Dairy Products	Vietnam	3,165	1.0
Venture Corp	Singapore	3,027	1.0
Standard Chartered <sup>B</sup>	United Kingdom	2,996	1.0
Autohome ADR	China	2,973	1.0
Taiwan Mobile	Taiwan	2,965	1.0
Naver Corporation	South Korea	2,485	0.8
LG Chem	South Korea	2,408	0.8
Aberdeen Standard Asia Focus <sup>A</sup>	Other Asia	2,314	0.7
Top forty investments		<b>268,636</b>	<b>89.1</b>

## Investment Portfolio continued

As at 31 October 2018

Company	Country	Valuation £'000	Total assets %
E-Mart	South Korea	2,243	0.7
Vietnam Technological & Commercial Bank	Vietnam	2,174	0.7
Swire Pacific B Shares	Hong Kong	2,164	0.7
Unilever Indonesia	Indonesia	2,162	0.7
Wuxi Biologics (Cayman)	China	2,047	0.7
ASM Pacific Technology	Hong Kong	2,045	0.7
Mobile World	Vietnam	1,882	0.7
Huazhu Group ADR	China	1,821	0.6
Bangkok Dusit Medical Services (Foreign)	Thailand	1,795	0.6
Raffles Medical	Singapore	1,697	0.6
Top fifty investments		<b>288,666</b>	<b>95.8</b>
Hang Lung Group	Hong Kong	1,690	0.6
Woodside Petroleum	Australia	1,550	0.5
Astra International	Indonesia	1,510	0.5
Sunny Optical Technology	China	1,265	0.4
Amorepacific Corporation <sup>C</sup>	South Korea	1,195	0.4
Indocement Tunggal Prakarsa	Indonesia	960	0.3
Yoma Strategic Holdings	Singapore	876	0.3
Hang Lung Properties	Hong Kong	725	0.2
DFCC Bank	Sri Lanka	589	0.2
Total investments		<b>299,026</b>	<b>99.2</b>
Net current assets <sup>D</sup>		<b>2,393</b>	<b>0.8</b>
Total assets <sup>E</sup>		<b>301,419</b>	<b>100.0</b>

<sup>A</sup> No double-charging of management fees by the Manager, see note 11 on page 14.

<sup>B</sup> London Stock Exchange listing.

<sup>C</sup> Holding merges two equity holdings with value splits as follows: Ordinary shares £144,000 and Preference shares £1,051,000.

<sup>D</sup> Excluding bank loans of £33,177,000.

<sup>E</sup> Total assets which includes current year income, less current liabilities, before deducting any prior charges.

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

## Condensed Statement of Comprehensive Income (unaudited)

	Notes	Six months ended 31 October 2018			Six months ended 31 October 2017		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(Losses)/gains on investments		-	(36,727)	(36,727)	-	26,743	26,743
Income	2	4,664	-	4,664	4,587	-	4,587
Management fee		(454)	(454)	(908)	(447)	(447)	(894)
Administrative expenses		(432)	-	(432)	(400)	-	(400)
Exchange (losses)/gains	6	-	(1,659)	(1,659)	-	608	608
<b>Net return before finance costs and taxation</b>		<b>3,778</b>	<b>(38,840)</b>	<b>(35,062)</b>	<b>3,740</b>	<b>26,904</b>	<b>30,644</b>
Finance costs		(201)	(201)	(402)	(140)	(140)	(280)
<b>Return before taxation</b>		<b>3,577</b>	<b>(39,041)</b>	<b>(35,464)</b>	<b>3,600</b>	<b>26,764</b>	<b>30,364</b>
Taxation	3	(260)	-	(260)	(193)	-	(193)
<b>Return after taxation</b>		<b>3,317</b>	<b>(39,041)</b>	<b>(35,724)</b>	<b>3,407</b>	<b>26,764</b>	<b>30,171</b>
<b>Return per Ordinary share (pence)</b>	5	<b>2.92</b>	<b>(34.39)</b>	<b>(31.47)</b>	<b>2.93</b>	<b>23.03</b>	<b>25.96</b>

The total column of the Condensed Statement of Comprehensive Income represents the profit and loss account of the Company.

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

The accompanying notes are an integral part of these condensed set of interim financial statements.

## Condensed Statement of Financial Position (unaudited)

		As at 31 October 2018 £'000	As at 30 April 2018 £'000
	Notes		
<b>Fixed assets</b>			
Investments at fair value through profit or loss	9	299,026	334,643
<b>Current assets</b>			
Debtors		1,760	1,127
Cash at bank and in hand		2,722	4,507
		4,482	5,634
<b>Creditors: amounts falling due within one year</b>			
Loans		(33,177)	(23,058)
Other creditors		(2,089)	(403)
		(35,266)	(23,461)
<b>Net current liabilities</b>		(30,784)	(17,827)
<b>Total assets less current liabilities</b>		268,242	316,816
<b>Non-current creditors</b>			
Loans		-	(5,000)
<b>Net assets</b>		268,242	311,816
<b>Share capital and reserves</b>			
Called-up share capital		6,152	6,152
Share premium account		17,955	17,955
Capital redemption reserve		10,402	10,402
Capital reserve	6	221,039	264,189
Revenue reserve		12,694	13,118
<b>Equity shareholders' funds</b>		268,242	311,816
<b>Net asset value per Ordinary share (pence)</b>	7	238.09	272.41

The accompanying notes are an integral part of these condensed set of interim financial statements.

## Condensed Statement of Changes in Equity (unaudited)

### Six months ended 31 October 2018

		Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
	Notes						
Balance at 30 April 2018		6,152	17,955	10,402	264,189	13,118	311,816
Buy back of Ordinary shares for treasury		-	-	-	(4,109)	-	(4,109)
Return after taxation		-	-	-	(39,041)	3,317	(35,724)
Dividend paid	4	-	-	-	-	(3,741)	(3,741)
<b>Balance at 31 October 2018</b>		<b>6,152</b>	<b>17,955</b>	<b>10,402</b>	<b>221,039</b>	<b>12,694</b>	<b>268,242</b>

### Six months ended 31 October 2017

		Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
	Notes						
Balance at 30 April 2017		6,347	17,955	10,207	239,100	12,582	286,191
Buy back of Ordinary shares for treasury		-	-	-	(2,516)	-	(2,516)
Return after taxation		-	-	-	26,764	3,407	30,171
Dividend paid	4	-	-	-	-	(3,486)	(3,486)
<b>Balance at 31 October 2017</b>		<b>6,347</b>	<b>17,955</b>	<b>10,207</b>	<b>263,348</b>	<b>12,503</b>	<b>310,360</b>

The accompanying notes are an integral part of these condensed set of interim financial statements.

## Condensed Statement of Cash Flows (unaudited)

		Six months ended 31 October 2018 £'000	Six months ended 31 October 2017 £'000
	Notes		
<b>Operating activities</b>			
Net return before finance costs and taxation		(35,062)	30,644
Adjustment for:			
Losses/(gains) on investments		36,727	(26,743)
Currency losses/(gains)		1,659	(608)
Decrease in accrued dividend income		806	755
Decrease/(increase) in other debtors		8	(16)
Increase/(decrease) in creditors		167	(174)
Scrip dividends included in investment income		(286)	(269)
Overseas withholding tax		(335)	(265)
<b>Net cash flow from operating activities</b>		<b>3,684</b>	<b>3,324</b>
<b>Investing activities</b>			
Purchases of investments		(32,564)	(20,115)
Sales of investments		31,911	23,125
<b>Net cash from investing activities</b>		<b>(653)</b>	<b>3,010</b>
<b>Financing activities</b>			
Interest paid		(402)	(285)
Equity dividends paid	4	(3,741)	(3,486)
Buyback of Ordinary shares for treasury		(4,134)	(2,633)
Loan drawdown		3,500	-
<b>Net cash used in financing activities</b>		<b>(4,777)</b>	<b>(6,404)</b>
<b>Decrease in cash</b>		<b>(1,746)</b>	<b>(70)</b>
<b>Analysis of changes in cash during the period</b>			
Opening balances		4,507	1,719
Effect of exchange rate fluctuations on cash held		(39)	(5)
Decrease in cash as above		(1,746)	(70)
<b>Closing balances</b>		<b>2,722</b>	<b>1,644</b>

The accompanying notes are an integral part of these condensed set of interim financial statements.



# Notes to the Financial Statements

## 1. Accounting policies

### Basis of accounting

The condensed financial statements have been prepared in accordance with Financial Reporting Standard 104 'Interim Financial Reporting' and with the Statement of Recommended Practice for 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. They have also been prepared on a going concern basis and on the assumption that approval as an investment trust will continue to be granted.

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

	Six months ended 31 October 2018 £'000	Six months ended 31 October 2017 £'000
<b>2. Income</b>		
<b>Income from investments</b>		
UK dividend income	646	541
Overseas dividends	3,729	3,777
Scrip dividends	286	269
	<b>4,661</b>	<b>4,587</b>
<b>Other income</b>		
Deposit interest	3	-
<b>Total income</b>	<b>4,664</b>	<b>4,587</b>

## 3. Taxation

The taxation charge for the period represents withholding tax suffered on overseas dividend income.

## 4. Dividends

Ordinary dividends on equity shares deducted from reserves are analysed below:

	Six months ended 31 October 2018 £'000	Six months ended 31 October 2017 £'000
2018 final dividend – 3.30p (2017 – 3.00p)	<b>3,741</b>	<b>3,486</b>

An interim dividend of 1.00p per share will be paid on 25 January 2019 to shareholders on the register on 4 January 2019. The ex-dividend date will be 3 January 2019.

	Six months ended 31 October 2018 p	Six months ended 31 October 2017 p
<b>5. Return per Ordinary share</b>		
Revenue return	2.92	2.93
Capital return	(34.39)	23.03
<b>Total return</b>	<b>(31.47)</b>	<b>25.96</b>

# Notes to the Financial Statements continued

The figures above are based on the following attributable assets:

	£'000	£'000
Revenue return	3,317	3,407
Capital return	(39,041)	26,764
<b>Total return</b>	<b>(35,724)</b>	<b>30,171</b>
<b>Weighted average number of Ordinary shares in issue</b>	<b>113,518,761</b>	<b>116,205,250</b>

6. **Capital reserve**

The capital reserve reflected in the Condensed Statement of Financial Position at 31 October 2018 includes gains of £108,592,000 (30 April 2018 – gains of £160,229,000) which relate to the revaluation of investments held at the reporting date.

During the period the Company had exchange losses of £1,659,000 (2017 – gains of £608,000), of which £1,719,000 (2017 – gains of £708,000) were attributable to foreign exchange movements on bank loan drawdowns.

	As at 31 October 2018	As at 30 April 2018
<b>7. Net asset value per share</b>		
Net assets per Condensed Statement of Financial Position (£'000)	268,242	311,816
Number of Ordinary shares in issue <sup>A</sup>	112,663,848	114,463,848
Net asset value per Ordinary share (p)	238.09	272.41

<sup>A</sup> Excluding shares held in treasury

8. **Transaction costs**

During the six months ended 31 October 2018 expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. These have been expensed through capital and are included within (losses)/gains on investments in the Condensed Statement of Comprehensive Income. The total costs were as follows:

	Six months ended 31 October 2018 £'000	Six months ended 31 October 2017 £'000
Purchases	70	20
Sales	39	34
	<b>109</b>	<b>54</b>

## 9. Fair value hierarchy

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

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

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

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

The financial assets and liabilities measured at fair value in the Condensed Statement of Financial Position are grouped into the fair value hierarchy at the reporting date as follows:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>As at 31 October 2018</b>				
<b>Financial assets at fair value through profit or loss</b>				
Quoted equities	250,210	–	–	250,210
Collective investment schemes	–	48,816	–	48,816
<b>Net fair value</b>	<b>250,210</b>	<b>48,816</b>	<b>–</b>	<b>299,026</b>

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>As at 30 April 2018</b>				
<b>Financial assets at fair value through profit or loss</b>				
Quoted equities	274,167	–	–	274,167
Collective investment schemes	–	60,476	–	60,476
<b>Net fair value</b>	<b>274,167</b>	<b>60,476</b>	<b>–</b>	<b>334,643</b>

### Quoted equities

The fair value of the Company's investments in quoted equities has been determined by reference to their quoted bid prices at the reporting date. Quoted equities included in Fair Value Level 1 are actively traded on recognised stock exchanges.

### Collective investment schemes

The fair value of the Company's investments in collective investment schemes has been determined by reference to their quoted net asset values at the reporting date and hence are categorised in Fair Value Level 2.

## 10. Called-up share capital

During the six months ended 31 October 2018 the Company purchased 1,800,000 (31 October 2017 – 1,120,000) Ordinary shares for treasury at a cost of £4,109,000 (31 October 2017 – £2,516,000).

Between the period 1 November 2018 and the date of approval of this Report, the Company bought back for treasury a further 365,000 Ordinary shares at a cost of £780,000.

## Notes to the Financial Statements *continued*

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### 11. Related party transactions and transactions with the Manager

Mr Young is a director of Aberdeen Standard Investments (Asia) Limited, which has been delegated authority for the day to day administration of the investment policy from Aberdeen Standard Fund Managers Limited ("ASFML") which is a subsidiary of Standard Life Aberdeen PLC. Management, promotional activities and secretarial and administration services are provided to the Company by ASFML. Until 31 March 2018 Mr Young's fees for his services as a Director were assigned to the Standard Life Aberdeen Group but, since that date, have been waived.

The management fee is payable monthly in arrears based on an annual amount of 0.85% of the net asset value of the Company valued monthly, with the following provisions for commonly managed funds from which the Manager receives a management fee:

- the Company's investments in Aberdeen Global – Indian Equity Fund, Aberdeen Standard Asia Focus and Aberdeen New India Investment Trust PLC are excluded from the calculation of the investment management fee. The Company's investment in Aberdeen Global – China A Share Equity Fund is held in a share class not subject to management charges at a fund level and the Manager is therefore entitled to a fee on the value of the Company's investment. The total value of such commonly managed funds at the period end was £39,166,000 (31 October 2017 – £46,946,000).
- the Company receives a rebate from the Manager for the amount of fees in excess of 0.85%, of net assets charged by the Manager for any applicable commonly managed fund.

During the period £908,000 (31 October 2017 – £894,000) of management fees were payable, with a balance of £291,000 (31 October 2017 – £157,000) being due to ASFML at the period end. Management fees are charged 50% to revenue and 50% to capital.

The promotional activities fee is based on a current annual amount of £158,000 (31 October 2017 – £158,000), payable quarterly in arrears. During the period £79,000 (31 October 2017 – £79,000) of fees were payable, with a balance of £53,000 (31 October 2017 – £13,000) being due to ASFML at the period end.

### 12. Segmental information

The Company is engaged in a single segment of business, which is to invest in equity securities. Accordingly, all significant operating decisions are based on the Company as one segment.

13. The financial information contained in this Half-Yearly Report does not constitute statutory accounts as defined in Sections 434-436 of the Companies Act 2006. The financial information for the six months ended 31 October 2018 and 31 October 2017 has not been audited by the Company's external auditor.

The financial information for the year ended 30 April 2018 has been extracted from the latest published audited financial statements which have been filed with the Registrar of Companies. The report of the Independent Auditor on those accounts contained no qualification or statement under Section 498 (2), (3) or (4) of the Companies Act 2006.

14. This Half-Yearly Financial Report was approved by the Board on 19 December 2018.

# Independent Review Report to Aberdeen New Dawn Investment Trust PLC

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## Introduction

We have been engaged by the Company to review the condensed set of financial statements in the Half Yearly Financial Report for the six months ended 31 October 2018 which comprises a Condensed Statement of Comprehensive Income, Condensed Statement of Financial Position, Condensed Statement of Changes in Equity, Condensed Statement of Cash Flows and the related notes 1 to 14. We have read the other information contained in the Half Yearly Financial Report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

## Directors' Responsibilities

The Half Yearly Financial Report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the Half Yearly Financial Report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual financial statements of the Company are prepared in accordance with United Kingdom Generally Accepted Accounting Practice. The condensed set of financial statements included in this Half Yearly Financial Report has been prepared in accordance with the Financial Reporting Standard (FRS)104 'Interim Financial Reporting'.

## Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the Half Yearly Financial Report based on our review.

## Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not

enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the Half Yearly Financial Report for the six months ended 31 October 2018 is not prepared, in all material respects, in accordance with FRS 104 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Services Conduct Authority.

Ernst & Young LLP  
Edinburgh  
19 December 2018

# Alternative Performance Measures

## Alternative Performance Measures

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

### Total return

Total return is considered to be an alternative performance measure. NAV total return involves investing the same net dividend in the NAV of the Company on the date on which that dividend was earned. Share price total return involves reinvesting the net dividend in the month that the share price goes ex-dividend.

The tables below provide information relating to the NAVs and share prices of the Company during the six months ended 31 October 2018 and 31 October 2017.

	Dividend rate	NAV	Share price
<b>31 October 2018</b>			
30 April 2018	N/A	272.41p	236.00p
16 August 2018	3.30p	262.91p	227.00p
31 October 2018	N/A	238.09p	204.00p
<b>Total return</b>		<b>-12.6%</b>	<b>-13.6%</b>

	Dividend rate	NAV	Share price
<b>31 October 2017</b>			
30 April 2017	N/A	244.90p	212.00p
3 August 2017	3.00p	258.50p	226.00p
31 October 2017	N/A	272.41p	236.00p
<b>Total return</b>		<b>+10.8%</b>	<b>+12.2%</b>

### Net asset value per share (excluding current year income)

The Company also uses net asset value (ex income) per share as an alternative performance measure. This is calculated as follows:

	31 October 2018	30 April 2018
Net assets attributable	£268,242,000	£311,816,000
Less: Revenue for the year	£(3,317,000)	£(5,176,000)
Add: Dividends paid during the year	–	£1,154,000
Net assets (ex income)	£264,925,000	£307,794,000
Number of Ordinary shares in issue <sup>A</sup>	112,663,848	114,463,848
NAV (ex income) per share	235.15p	268.90p

<sup>A</sup> Excluding shares held for treasury.

### Ongoing charges

Ongoing charges is considered to be an alternative performance measure. The ongoing charges ratio has been calculated in accordance with guidance issued by the AIC as the total of investment management fees and administrative expenses of the Company and expressed as a percentage of the average net asset values throughout the period.

	31 October 2018	30 April 2018
Investment management fees (£'000)	1,736	1,848
Administrative expenses (£'000)	786	739
Less: non-recurring charges (£'000)	(55)	(13)
<b>Ongoing charges (£'000)</b>	<b>2,467</b>	<b>2,574</b>
<b>Average net assets (£'000)</b>	<b>283,603</b>	<b>306,307</b>
<b>Ongoing charges ratio</b>	<b>0.87%</b>	<b>0.84%</b>

The ongoing charges ratio provided in the Company's Key Information Document is calculated in line with the PRIIPs regulations.

# Investor Information

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## Alternative Investment Fund Managers Directive ("AIFMD") and Pre-Investment Disclosure Document ("PIDD")

The Company has appointed Aberdeen Standard Fund Managers Limited as its alternative investment fund manager and BNP Paribas Securities Services, London Branch as its depositary under the AIFMD.

The AIFMD requires Aberdeen Standard Fund Managers Limited, as the Company's AIFM, to make available to investors certain information prior to such investors' investment in the Company. Details of the leverage and risk policies which the Company is required to have in place under the AIFMD are published in the Company's PIDD which can be found on its website: [newdawn-trust.co.uk](http://newdawn-trust.co.uk).

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

Aberdeen Standard Investments has been contacted by investors informing it that they have received telephone calls and emails from people who have offered to buy their investment company shares, purporting to work for Aberdeen Standard Investments or for third party firms. Aberdeen Standard Investments has also been notified of emails claiming that certain investment companies under its management have issued claims in the courts against individuals. These may be scams which attempt to gain your personal information with which to commit identity fraud or could be 'boiler room' scams where a payment from you is required to release the supposed payment for your shares. These callers/senders do not work for Aberdeen Standard Investments and any third party making such offers/claims has no link with Aberdeen Standard Investments.

Aberdeen Standard Investments does not 'cold-call' investors in this way. If you have any doubt over the veracity of a caller, do not offer any personal information, end the call and contact our Customer Services Department.

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

## Shareholder Enquiries

For queries regarding shareholdings, lost certificates, dividend payments, registered details and related matters, shareholders holding their shares directly in the Company are advised to contact the Registrars (see Corporate Information). Changes of address must be notified to the Registrars in writing.

If you have any general questions about your Company, the Manager or performance, please telephone the Aberdeen Standard Investments Customer Services Department on 0808 500 4000, send an email to [inv.trusts@aberdeenstandard.com](mailto:inv.trusts@aberdeenstandard.com) or write to:

Aberdeen Standard Investment Trusts  
PO Box 11020  
Chelmsford  
Essex CM99 2DB

## Dividend Tax Allowance

The annual tax-free personal allowance for dividend income for UK investors is £2,000 for the 2018/19 tax year (2017/18: £5,000). Above this amount, individuals pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company provides registered shareholders with a confirmation of dividends paid and this should be included with any other dividend income received when calculating and reporting to HMRC total dividend income received. It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

## How to Invest

Investors can buy and sell shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, for retail clients, shares can be bought directly through the Aberdeen Standard Investment Trust Share Plan, Investment Trust Individual Savings Account ("ISA") or Investment Plan for Children.

## Aberdeen Standard Investment Trust Share Plan

Aberdeen Standard Investments operates an Investment Trust Share Plan (the "Plan") through which shares in the Company can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry where applicable. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in a Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard Investments in writing at any time.

## Aberdeen Standard Investment Trust ISA

Aberdeen Standard Investments operates an Investment Trust ISA ("ISA") through which an investment may be made of up to £20,000 in the 2018/19 tax year.



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

### ISA Transfer

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

### Aberdeen Standard Investment Plan for Children

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

### Nominee Accounts and Voting Rights

All investments in the Aberdeen Standard Investments Children's Plan, Investment Trust Share Plan and Investment Trust ISA are held in nominee accounts and investors are provided with the equivalent of full voting and other rights of share ownership.

### Keeping You Informed

Further information about the Company may be found on its dedicated website: [newdawn-trust.co.uk](http://newdawn-trust.co.uk). This provides access to information on the Company's share price performance, capital structure, London Stock Exchange

announcements, current and historic Annual and Half-Yearly Reports, and the latest monthly factsheet on the Company issued by the Manager.

Alternatively, please call 0808 500 0040 (Freephone) or email [inv.trusts@aberdeenstandard.com](mailto:inv.trusts@aberdeenstandard.com) or write to the address for Aberdeen Standard Investment Trusts stated above.

Details are also available at: [invtrusts.co.uk](http://invtrusts.co.uk).

The Company's Ordinary share price appears under the heading 'Investment Companies' in the Financial Times.

### Key Information Document ("KID")

The KID relating to the Company and published by the Manager can be found on the Manager's website at: [invtrusts.co.uk/en/investmenttrusts/literature-library](http://invtrusts.co.uk/en/investmenttrusts/literature-library).

### Literature Request Service

For literature and application forms for Aberdeen Standard Investment's investment trust products, please contact:

[invtrusts.co.uk](http://invtrusts.co.uk) or contact:

Email: [aam@lit-request.com](mailto:aam@lit-request.com)

Telephone: 0808 500 4000

Or write to:-

Aberdeen Standard Investment Trusts  
PO Box 11020  
Chelmsford  
Essex CM99 2DB

### Terms and Conditions

Terms and conditions for Aberdeen Standard Investments managed savings products can also be found under the Literature section of our website at: [invtrusts.co.uk](http://invtrusts.co.uk).

### Suitable for Retail/NMPI Status

The Company's shares are intended for investors, primarily in the UK, including retail investors, professionally-advised private clients and institutional investors who are seeking a high level of capital growth through equity investment in the Asia Pacific countries ex Japan and who understand and are willing to accept the risks of exposure to equities.

Investors should consider consulting a financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of

## Investor Information continued

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such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs so that the securities issued by the Company can be recommended by a financial adviser to ordinary retail investors in accordance with the Financial Conduct Authority's rules in relation to non-mainstream pooled investments ("NMPs") and intends to continue to do so for the foreseeable future. The Company's securities are excluded from the Financial Conduct Authority's restrictions which apply to NMPs because they are securities issued by an investment trust.

### Online Dealing

There are a number of online dealing platforms for private investors that offer share dealing, ISAs and other means to invest in the Company. Real-time execution-only stockbroking services allow you to trade online, manage your portfolio and buy UK listed shares. These sites do not give advice. Some comparison websites also look at dealing rates and terms.

### Discretionary Private Client Stockbrokers

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

### Financial Advisers

To find an adviser who recommends on investment trusts, visit: [unbiased.co.uk](http://unbiased.co.uk).

### Regulation of Stockbrokers

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

Tel: 0800 111 6768 or at [fca.org.uk/firms/systems-reporting/register/search](http://fca.org.uk/firms/systems-reporting/register/search)

Email: [register@fca.org.uk](mailto:register@fca.org.uk)

### Note

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

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

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

*The information on pages 18 to 20 has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom.*

# Corporate Information

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## Directors

David Shearer (Chairman)  
John Lorimer  
Susie Rippingall  
Marion Sears  
Donald Workman  
Hugh Young

## Company Secretary & Registered Office

Aberdeen Asset Management PLC  
Bow Bells House  
1 Bread Street  
London EC4M 9HH

## Alternative Investment Fund Manager

Aberdeen Standard Fund Managers Limited  
Bow Bells House  
1 Bread Street  
London EC4M 9HH

## Investment Manager

Aberdeen Standard Investments (Asia) Limited  
21 Church Street  
#01-01 Capital Square Two  
Singapore 049480

## Customer Services Department and Aberdeen Children's Plan, Share Plan and ISA enquiries

Aberdeen Standard Investment Trusts  
PO Box 11020  
Chelmsford  
Essex CM99 2DB

Freephone: 0808 500 0040  
(open Monday to Friday, 9.00 a.m. to 5.00 p.m.)  
Email: [inv.trusts@aberdeenstandard.com](mailto:inv.trusts@aberdeenstandard.com)

## Company Registration Number

02377879 (England & Wales)

## United States Internal Revenue Service FATCA Registration Number (GIIN)

SL62LS.99999.SL.826

## Legal Entity Identifier ("LEI")

5493002K00AHWEME3J36

## Website

[newdawn-trust.co.uk](http://newdawn-trust.co.uk)

## Registrars

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

Shareholder helpline: 0371 384 2504\*

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

Overseas helpline number: +44 (0) 121 415 7047

## Depositary

BNP Paribas Securities Services, London Branch  
10 Harewood Avenue  
London NW1 6AA

## Stockbrokers

Cantor Fitzgerald Europe  
One Churchill Place  
Level 20  
Canary Wharf  
London E14 5RB

## Independent Auditor

Ernst & Young LLP  
Atria One  
144 Morrison Street  
Edinburgh EH3 8EX

## Solicitors

Dentons LLP  
One London Wall  
London EC2Y 5AB

## Bankers

Royal Bank of Scotland  
24 – 25 St Andrew Square  
Edinburgh EH2 1AF



Visit us online  
[newdawn-trust.co.uk](http://newdawn-trust.co.uk)