

# Aberdeen New Dawn Investment Trust PLC

Half Yearly Report  
for the six months ended 31 October 2017



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## Investment Objective

The investment objective of the Company is to provide shareholders with a high level of capital growth through equity investment in the Asia Pacific countries excluding Japan.

# Financial Highlights, Performance and Financial Calendar

## Financial Highlights

	31 October 2017	30 April 2017	% change
Total assets including current year income <sup>A</sup> (£'000)	339,270	315,715	+7.5
Total equity shareholders' funds (£'000)	310,360	286,191	+8.4
Share price (mid-market) <sup>B</sup>	234.8p	212.0p	+10.8
Net asset value per share (including current year income) <sup>B</sup>	268.2p	244.9p	+9.5
Net asset value per share (excluding current year income) <sup>B</sup>	265.2p	241.8p	+9.7
Discount to net asset value (including current year income) <sup>B</sup>	12.5%	13.4%	
Discount to net asset value (excluding current year income) <sup>B</sup>	11.5%	12.3%	
MSCI AC Asia Pacific ex Japan Index (currency adjusted) <sup>B</sup>	776.5	703.7	+10.3
Interim dividend per share <sup>C</sup>	1.0p	1.0p	–
Ongoing charges ratio <sup>D</sup>	0.86%	0.91%	

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

<sup>D</sup> 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 2017 is based on forecast ongoing charges for the year ending 30 April 2018.

## Performance (total return)

	Six months ended 31 October 2017	Year ended 30 April 2017
Share price	+12.2%	+38.8%
Net asset value	+10.8%	+39.0%
MSCI AC Asia Pacific ex Japan Index (currency adjusted)	+12.5%	+36.4%

## Financial Calendar

26 January 2018	Interim dividend payable for the year ending 30 April 2018
June 2018	Announcement of results for the year ending 30 April 2018
July 2018	Annual Report posted to shareholders
5 September 2018	Annual General Meeting (London)
7 September 2018	Final dividend payable for the year ending 30 April 2018

# Interim Board Report – Chairman’s Statement

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## Results and Dividend

Over the six month period ended 31 October 2017, the Company’s net asset value (“NAV”) rose by 10.8% on a total-return basis, marginally behind the benchmark MSCI All Countries Asia Pacific ex Japan Index’s total return of 12.5%. The share price total return was 12.2% and the share price at the end of the period was 234.8p, which represented a discount of 11.5% 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 26 January 2018 to shareholders on the register on 5 January 2018 (the relevant ex-dividend date being 4 January 2018). Shareholders should be aware that, as in previous years, the level of future dividends will depend on the future income of the portfolio.

## Overview

Asian equities rose steadily during the period, despite recurring tension on the Korean peninsula and policy uncertainty elsewhere in the world. Improved corporate earnings, backed by stronger economic growth, led to buoyant markets. In addition, benign inflation and a recovery in global trade bolstered sentiment further, despite the major central banks’ plans to reduce monetary stimulus.

China was among the region’s best performing markets, despite policy-tightening measures aimed at tackling high debt levels and tighter controls over capital outflows following Moody’s sovereign debt downgrade. Upbeat economic data, the decision to include A-shares in MSCI’s influential indices and a sustained rise in domestic internet stocks provided support for the mainland market. The Company benefited from its holding in the Aberdeen Global – China A-Share Fund, which is well positioned to capitalise on rising domestic consumption and positive structural trends in the economy.

The A-share fund’s underlying holdings, such as China’s biggest industrial laser equipment maker Han’s Laser Technology, and leading distiller Kweichow Moutai have performed well, delivering healthy growth on robust fundamentals. Notwithstanding this, the Company’s relative performance suffered due to its limited overall exposure to China, particularly the internet sector. Your Manager remains circumspect of the issues surrounding Chinese companies, including corporate governance and opaque ownership structures. However a position was initiated in Tencent Holdings towards the end of the period. This reflects a growing conviction in, and comfort with, the internet giant’s variable interest entity structure and its fair treatment of minority shareholders, as well as the sustainability of its earnings growth.

Meanwhile, the Company’s holdings in other technology stocks performed well. Samsung Electronics reported another solid quarter of profits which were underpinned by the upswing in the semiconductor cycle. With its steady cash flow generation, the Korean technology giant continues to invest in the business and improve shareholder returns through share buybacks and dividends. In Singapore, contract manufacturer Venture Corp’s strong performance was driven by its focus on value creation through deepening its engineering design and research development capabilities.

Elsewhere, the Company benefited from its underweight exposure to Australia, which lagged its regional peers, as local banks were affected by concerns about government levies and increased regulatory scrutiny. The Company’s holdings in miners Rio Tinto and BHP Billiton performed well underpinned by rising iron ore prices and robust demand from China.

The portfolio’s long-held positions in Singapore remained resilient amid better macroeconomic indicators and strong corporate earnings. The Singaporean bank holdings continued to recover from their previous falls as asset quality stabilises and loan growth and fee income improves. Meanwhile, City Developments benefited from the upbeat sentiment in the property sector, as well as news of its potential takeover of Millennium & Copthorne Hotels.

In addition to the initiation of a position in Tencent Holdings, your Manager introduced Hong Kong-headquartered China Resources Land and Indonesian-listed Indocement to the portfolio. China Resources Land is a property developer with superior profitability and a substantial land bank. It also has an attractive property investment business that provides strong recurring income. Indocement is a leading cement company in Indonesia and a proxy for both government spending on infrastructure and growth in the property sector.

## Gearing and Share Buy Backs

The Company has a £35 million loan facility. At the end of the period, a Sterling equivalent of £28.9 million was drawn down, mostly denominated in US and Hong Kong Dollars. Gearing (net of cash) was 8.8% as at 31 October 2017 compared to 9.7% at the start of the period.

In line with many other investment trusts, the Company has continued to buy back shares with the aim of providing a degree of liquidity to the market at times when the discount to the NAV has widened in normal market conditions. 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 1.1 million shares to be held in treasury, representing 0.96% of the shares in issue at the beginning of the period. These

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shares can only be issued to the market if and when the shares are trading at a premium to the NAV.

### **Manager**

The Board notes the recent completion of the merger between Aberdeen Asset Management PLC, which is the parent company of the Manager, and Standard Life PLC. The Board will continue to monitor developments closely to ensure that satisfactory arrangements remain in place for the continued effective management of the Company.

### **Outlook**

Companies in the Asia Pacific region should continue to benefit from improving growth prospects and favourable external conditions. Corporate earnings have been robust amid a synchronised worldwide recovery underpinned by largely encouraging macro-economic indicators, including benign inflation, healthy trade flows and strengthening foreign exchange reserves. Global monetary policies remain supportive, as major central banks adjust monetary policy slowly to avoid shocks to the system and a sharp contraction in liquidity. In addition, equity valuations appear reasonable providing an overall positive outlook for the holdings in the portfolio.

The Board believes that the case for investing in the Asia Pacific region remains compelling and that the region's long-term prospects lie in its resilient macro-economic environment capable of withstanding future challenges. The Manager continues to have confidence in the Company's underlying holdings, which have been carefully selected for their skilled management teams, strong balance sheets and potential to outperform over the longer term.

**David Shearer**

Chairman

18 December 2017

# 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 2017 and comprise the following risk headings:

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

In addition to the risks stated above, the Board is conscious that investment in Asia Pacific securities, or in companies that derive significant revenue or profit from the Asia Pacific region, involves a greater degree of risk than that usually associated with investment in the securities in developed markets, which may have an adverse effect on economic returns or restrict investment opportunities.

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

18 December 2017

# Investment Portfolio

As at 31 October 2017

Company	Country	Valuation £'000	Total assets %
Aberdeen Global – Indian Equity Fund <sup>A</sup>	India	38,273	11.3
Aberdeen Global – China A Share Equity Fund <sup>A</sup>	China	20,275	6.0
Samsung Electronics Pref	South Korea	17,775	5.3
Jardine Strategic Holdings	Hong Kong	15,026	4.4
Oversea-Chinese Banking Corporation	Singapore	14,014	4.1
Taiwan Semiconductor Manufacturing Company	Taiwan	13,355	3.9
Ayala Land	Philippines	10,876	3.2
AIA Group	Hong Kong	10,710	3.2
City Developments	Singapore	10,568	3.1
Bank Central Asia	Indonesia	9,120	2.7
<b>Top ten investments</b>		<b>159,992</b>	<b>47.2</b>
Rio Tinto <sup>B</sup>	Australia	8,593	2.5
Siam Cement (Foreign)	Thailand	7,481	2.2
Singapore Telecommunication	Singapore	7,358	2.2
HSBC Holdings	Hong Kong	7,333	2.1
CSL	Australia	6,879	2.0
China Mobile	China	6,688	2.0
Keppel Corporation	Singapore	6,321	1.9
Hong Kong Exchanges & Clearing	Hong Kong	6,151	1.8
Aberdeen New India Inv. Trust <sup>AB</sup>	India	6,102	1.8
BHP Billiton <sup>B</sup>	Australia	5,857	1.7
<b>Top twenty investments</b>		<b>228,755</b>	<b>67.4</b>
Naver Corporation	South Korea	5,851	1.7
Standard Chartered <sup>B</sup>	United Kingdom	5,751	1.7
Venture Corp	Singapore	5,382	1.6
Swire Pacific B Shares	Hong Kong	5,288	1.6
Singapore Technologies Engineering	Singapore	4,934	1.4
Swire Properties	Hong Kong	4,824	1.4
Yum China Holdings	China	4,800	1.4
M.P. Evans Group <sup>B</sup>	United Kingdom	4,691	1.4
Taiwan Mobile	Taiwan	4,421	1.3
DBS Group Holdings	Singapore	4,268	1.3
<b>Top thirty investments</b>		<b>278,965</b>	<b>82.2</b>
United Overseas Bank	Singapore	4,018	1.2
Indocement Tunggal Prakarsa	Indonesia	3,989	1.2
Anhui Conch Cement H shares	China	3,538	1.0
Vietnam Dairy Products	Vietnam	3,392	1.0
MTR Corporation	Hong Kong	3,386	1.0
CIMB Group Holdings	Malaysia	3,381	1.0
Tencent Holdings	China	3,380	1.0
Unilever Indonesia	Indonesia	3,369	1.0
ASM Pacific Technology	Hong Kong	3,314	1.0
John Keells Holdings	Sri Lanka	2,956	0.9
<b>Top forty investments</b>		<b>313,688</b>	<b>92.5</b>

## Investment Portfolio continued

As at 31 October 2017

Company	Country	Valuation £'000	Total assets %
E-Mart	South Korea	2,843	0.8
Public Bank Berhad	Malaysia	2,627	0.8
Aberdeen Asian Smaller Companies Inv. Trust <sup>AB</sup>	Other Asia	2,571	0.8
Amorepacific Corporation <sup>C</sup>	South Korea	2,412	0.7
Hang Lung Group	Hong Kong	2,323	0.7
Raffles Medical	Singapore	1,756	0.5
China Resources Land	China	1,688	0.5
Astra International	Indonesia	1,655	0.5
Hang Lung Properties	Hong Kong	1,512	0.4
Bangkok Dusit Medical Services (Foreign)	Thailand	1,497	0.4
<b>Top fifty investments</b>		<b>334,572</b>	<b>98.6</b>
Kerry Logistics Network	Hong Kong	1,340	0.4
DFCC Bank	Sri Lanka	1,125	0.3
Aitken Spence & Co.	Sri Lanka	495	0.2
China Literature	China	1	–
<b>Total investments</b>		<b>337,533</b>	<b>99.5</b>
<b>Net current assets<sup>D</sup></b>		<b>1,737</b>	<b>0.5</b>
<b>Total assets<sup>E</sup></b>		<b>339,270</b>	<b>100.0</b>

<sup>A</sup> Managed by the Manager of the Company.

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

<sup>C</sup> Holding merges two equity holdings with value splits as follows: Ordinary shares £325,000 and Preference shares £2,087,000.

<sup>D</sup> Excluding bank loans of £23,910,000.

<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 2017			Six months ended 31 October 2016		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments		–	26,743	26,743	–	62,907	62,907
Income	2	4,587	–	4,587	4,166	–	4,166
Management fee		(447)	(447)	(894)	(402)	(402)	(804)
Administrative expenses		(400)	–	(400)	(401)	–	(401)
Exchange gains/(losses)	6	–	608	608	–	(3,892)	(3,892)
<b>Net return before finance costs and taxation</b>		<b>3,740</b>	<b>26,904</b>	<b>30,644</b>	<b>3,363</b>	<b>58,613</b>	<b>61,976</b>
Finance costs		(140)	(140)	(280)	(119)	(119)	(238)
<b>Net return before taxation</b>		<b>3,600</b>	<b>26,764</b>	<b>30,364</b>	<b>3,244</b>	<b>58,494</b>	<b>61,738</b>
Taxation	3	(193)	–	(193)	(136)	–	(136)
<b>Net return attributable to equity shareholders</b>		<b>3,407</b>	<b>26,764</b>	<b>30,171</b>	<b>3,108</b>	<b>58,494</b>	<b>61,602</b>
<b>Return per Ordinary share (pence)</b>	5	<b>2.93</b>	<b>23.03</b>	<b>25.96</b>	<b>2.60</b>	<b>48.93</b>	<b>51.53</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)

	Notes	As at 31 October 2017 £'000	As at 30 April 2017 £'000
<b>Non-current assets</b>			
Investments at fair value through profit or loss	9	337,533	313,530
<b>Current assets</b>			
Debtors		384	1,052
Cash at bank and in hand		1,644	1,719
		2,028	2,771
<b>Creditors: amounts falling due within one year</b>			
Bank loans		(23,910)	(24,524)
Other creditors		(291)	(586)
		(24,201)	(25,110)
<b>Net current liabilities</b>		(22,173)	(22,339)
<b>Total assets less current liabilities</b>		315,360	291,191
<b>Creditors: amounts falling due after more than one year</b>			
Bank loans		(5,000)	(5,000)
<b>Net assets</b>		<b>310,360</b>	<b>286,191</b>
<b>Share capital and reserves</b>			
Called-up share capital		6,347	6,347
Share premium account		17,955	17,955
Capital redemption reserve		10,207	10,207
Capital reserve	6	263,348	239,100
Revenue reserve		12,503	12,582
<b>Equity shareholders' funds</b>		<b>310,360</b>	<b>286,191</b>
<b>Net asset value per Ordinary share (pence)</b>	7	<b>268.15</b>	<b>244.90</b>

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 2017

		Share capital	Share premium account	Capital redemption reserve	Capital reserve	Revenue reserve	Total
	Notes	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 30 April 2017		6,347	17,955	10,207	239,100	12,582	286,191
Buyback of Ordinary shares for treasury		–	–	–	(2,516)	–	(2,516)
Net return attributable to equity shareholders		–	–	–	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>

### Six months ended 31 October 2016

		Share capital	Share premium account	Special reserve	Capital redemption reserve	Capital reserve	Revenue reserve	Total
	Notes	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 30 April 2016		6,347	17,955	5,411	10,207	163,906	12,417	216,243
Buyback of Ordinary shares for treasury		–	–	(3,484)	–	–	–	(3,484)
Net return attributable to equity shareholders		–	–	–	–	58,494	3,108	61,602
Dividend paid	4	–	–	–	–	–	(3,464)	(3,464)
<b>Balance at 31 October 2016</b>		<b>6,347</b>	<b>17,955</b>	<b>1,927</b>	<b>10,207</b>	<b>222,400</b>	<b>12,061</b>	<b>270,897</b>

The special reserve was extinguished during the year ended 30 April 2017 funding the buyback of Ordinary shares for treasury by the Company.

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

## Condensed Statement of Cash Flows (unaudited)

Notes	Six months ended 31 October 2017 £'000	Six months ended 31 October 2016 £'000
<b>Operating activities</b>		
Net return before finance costs and taxation	30,644	61,976
Adjustment for:		
Gains on investments	(26,743)	(62,907)
Currency (gains)/losses	(608)	3,892
Decrease in accrued dividend income	755	1,097
Increase in other debtors	(16)	(13)
(Decrease)/increase in creditors	(174)	201
Scrip dividends included in investment income	(269)	(522)
Overseas withholding tax	(265)	(217)
<b>Net cash flow from operating activities</b>	<b>3,324</b>	<b>3,507</b>
<b>Investing activities</b>		
Purchases of investments	(20,115)	(15,431)
Sales of investments	23,125	19,687
<b>Net cash from investing activities</b>	<b>3,010</b>	<b>4,256</b>
<b>Financing activities</b>		
Interest paid	(285)	(232)
Equity dividends paid	4	(3,464)
Buyback of Ordinary shares for treasury	(2,633)	(3,527)
<b>Net cash used in financing activities</b>	<b>(6,404)</b>	<b>(7,223)</b>
<b>(Decrease)/increase in cash</b>	<b>(70)</b>	<b>540</b>
<b>Analysis of changes in cash during the year</b>		
Opening balances	1,719	2,369
Effect of exchange rate fluctuations on cash held	(5)	7
(Decrease)/increase in cash as above	(70)	540
<b>Closing balances</b>	<b>1,644</b>	<b>2,916</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 2017 £'000	Six months ended 31 October 2016 £'000
<b>2. Income</b>		
<b>Income from investments</b>		
UK dividend income	541	434
UK unfranked investment income	–	8
Overseas dividends	3,777	3,200
Scrip dividends	269	522
	<b>4,587</b>	<b>4,164</b>
<b>Other income</b>		
Deposit interest	–	2
<b>Total income</b>	<b>4,587</b>	<b>4,166</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 2017 £'000	Six months ended 31 October 2016 £'000
2017 final dividend – 3.00p (2016 – 2.90p)	<b>3,486</b>	<b>3,464</b>

An interim dividend of 1.00p per share will be paid on 26 January 2018 to shareholders on the register on 5 January 2018. The ex-dividend date will be 4 January 2018.

## Notes to the Financial Statements continued

	Six months ended 31 October 2017	Six months ended 31 October 2016
	P	P
<b>5. Return per Ordinary share</b>		
Revenue return	2.93	2.60
Capital return	23.03	48.93
<b>Total return</b>	<b>25.96</b>	<b>51.53</b>

The figures above are based on the following attributable assets:

	£'000	£'000
Revenue return	3,407	3,108
Capital return	26,764	58,494
<b>Total return</b>	<b>30,171</b>	<b>61,602</b>
<b>Weighted average number of Ordinary shares in issue</b>	<b>116,205,250</b>	<b>119,540,018</b>

### 6. Capital reserve

The capital reserve reflected in the Condensed Statement of Financial Position at 31 October 2017 includes gains of £169,009,000 (30 April 2017 – gains of £156,097,000) which relate to the revaluation of investments held at the reporting date.

During the period the Company had exchange gains of £608,000 (2016 – losses of £3,892,000), of which £708,000 (2016 – losses of £3,244,000) were attributable to foreign exchange movements on bank loan drawdowns.

	As at 31 October 2017	As at 30 April 2017
<b>7. Net asset value per share</b>		
<b>Including current year income</b>		
Net assets per Condensed Statement of Financial Position (£'000)	310,360	286,191
Number of Ordinary shares in issue <sup>A</sup>	115,742,098	116,862,098
Net asset value per Ordinary share (p)	268.15	244.90
<sup>A</sup> Excluding shares held for treasury		
<b>Excluding current year income</b>		
Net assets per Condensed Statement of Financial Position (£'000)	310,360	286,191
Less: current year income per Condensed Statement of Comprehensive Income (£'000)	(3,407)	(4,810)
Add: interim dividend paid	–	1,181
Net assets excluding current year income	306,953	282,562
Number of Ordinary shares in issue <sup>A</sup>	115,742,098	116,862,098
Net asset value per Ordinary share (p)	265.20	241.79

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

## 8. Transaction costs

During the six months ended 31 October 2017 expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. These have been expensed through capital and are included within gains on investments in the Condensed Statement of Comprehensive Income. The total costs were as follows:

	Six months ended 31 October 2017 £'000	Six months ended 31 October 2016 £'000
Purchases	20	26
Sales	34	39
	<b>54</b>	<b>65</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 2017</b>				
<b>Financial assets at fair value through profit or loss</b>				
Quoted equities	278,985	–	–	278,985
Collective investment schemes	–	58,548	–	58,548
<b>Net fair value</b>	<b>278,985</b>	<b>58,548</b>	<b>–</b>	<b>337,533</b>

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>As at 30 April 2017</b>				
<b>Financial assets at fair value through profit or loss</b>				
Quoted equities	263,011	–	–	263,011
Collective investment schemes	–	50,519	–	50,519
<b>Net fair value</b>	<b>263,011</b>	<b>50,519</b>	<b>–</b>	<b>313,530</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. Related party transactions and transactions with the Manager

Mr Young is a director of Aberdeen Asset Management Asia Limited, which has been delegated authority for the day to day administration of the investment policy from Aberdeen Fund Managers Limited ("AFML") which is a subsidiary of Standard Life Aberdeen PLC. Management, promotional activities and secretarial and administration services are provided to the Company by AFML.

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 Asian Smaller Companies Investment Trust and Aberdeen New India Investment Trust are excluded from the calculation of the investment management fee. The total value of such commonly managed funds at the period end was £46,946,000 (2016 – £39,945,000).
- 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 £894,000 (2016 – £804,000) of management fees were payable, with a balance of £157,000 (2016 – £271,000) being due to AFML 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 (2016 – £158,000), payable quarterly in arrears. During the period £79,000 (2016 – £79,000) of fees were payable, with a balance of £13,000 (2016 – £53,000) being due to AFML at the period end.

### 11. Segmental information

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

12. 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 2017 and 31 October 2016 has not been audited by the Company's external auditor.

The financial information for the year ended 30 April 2017 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.

13. This Half-Yearly Financial Report was approved by the Board on 18 December 2017.

# Independent Review Report to Aberdeen New Dawn Investment Trust PLC

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## Conclusion

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 2017 which comprises the Condensed Statement of Comprehensive Income, Condensed Statement of Financial Position, Condensed Statement of Changes in Equity and Condensed Statement of Cash-flows and the related explanatory notes.

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 2017 is not prepared, in all material respects, in accordance with FRS 104 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules (the "DTR") of the UK's Financial Conduct Authority (the "UK FCA").

## Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the UK. 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. We read the other information contained in the Half-Yearly Financial Report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

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.

## 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 DTR of the UK FCA.

As disclosed in note 1, the annual financial statements of the Company are prepared in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The Directors are responsible for preparing the condensed set of financial statements included in the Half-

Yearly Financial Report in accordance with 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.

## The Purpose of Our Review Work and to Whom We Owe Our Responsibilities

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this 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 for our review work, for this report, or for the conclusions we have reached.

**Philip Merchant**  
for and on behalf of KPMG LLP

Chartered Accountants  
Edinburgh

18 December 2017

# Investor Information

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## AIFMD

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

Aberdeen Fund Managers Limited is a wholly-owned subsidiary of Aberdeen Asset Management PLC. The Aberdeen Asset Management PLC group of companies ("Aberdeen" or the "Aberdeen Group") are subsidiaries of Standard Life Aberdeen PLC.

## Pre-investment Disclosure Document ("PIDD")

The AIFMD requires Aberdeen Fund Managers Limited, as the alternative investment fund manager of Aberdeen New Dawn Investment Trust PLC, to make available to investors certain information prior to such investors' investment in the Company. The Company's PIDD is available for viewing on its website.

## Website

Further information on the Company can be found on its own dedicated website: [newdawn-trust.co.uk](http://newdawn-trust.co.uk). This allows internet users to access information on the Company's share price performance, capital structure, stock exchange announcements and monthly reports.

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

The Aberdeen Group has been contacted by investors informing us that they have received telephone calls and emails from people who have offered to buy their investment trust shares, purporting to work for the Aberdeen Group or for third party firms. The Aberdeen Group has also been notified of emails claiming that certain investment companies under our 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 the Aberdeen Group and any third party making such offers/claims has no link with the Aberdeen Group.

The Aberdeen Group 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: [fca.org.uk/consumers/scams](http://fca.org.uk/consumers/scams).

## Keeping You Informed

For internet users, detailed information on the Company, including price, performance information and a monthly fact sheet is available from the Company's website and the TrustNet website ([trustnet.com](http://trustnet.com)). Alternatively you can call 0808 500 0040 (free when dialling from a UK landline).

If you have any questions about your Company, the Manager or performance, please telephone the Aberdeen Customer Services Department (direct private investors) on 0808 500 0040. Alternatively, you may email Aberdeen at [inv.trusts@aberdeen-asset.com](mailto:inv.trusts@aberdeen-asset.com) or write to Aberdeen Investment Trusts, PO Box 11020, Chelmsford, Essex CM99 2DB.

## Shareholder Enquiries

In the event of queries regarding their holdings of shares, lost certificates, dividend payments, registered details, etc shareholders holding their shares in the Company directly should contact the registrars, Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or by telephoning on 0371 384 2504. Lines are open 8.30 a.m. to 5.30 p.m. Monday to Friday. Calls may be recorded and monitored randomly for security and training purposes.

Changes of address must be notified to the registrars in writing. Any general enquiries about the Company should be directed to the Company Secretary, Aberdeen New Dawn Investment Trust PLC, Bow Bells House, 1 Bread Street, London EC4M 9HH or by emailing [company.secretary@aberdeen-asset.com](mailto:company.secretary@aberdeen-asset.com).

## Direct Investment

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 Aberdeen's Investment Plan for Children, Aberdeen's Investment Trust Share Plan and Investment Trust ISA.

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## Aberdeen's Investment Plan for Children

Aberdeen runs 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, including parents, grandparents and family friends (subject to the eligibility criteria as stated within the terms and conditions). All investments are free of dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £150 per trust, while regular savers may invest from £30 per month. Investors simply pay Government Stamp Duty (currently 0.5%) where applicable. 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 in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

## Aberdeen's Investment Trust Share Plan

Aberdeen runs a Share Plan (the "Plan") through which shares in the Company can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%) where applicable. 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 in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

## Stocks and Shares ISA

An investment of up to £20,000 can be made in each of the 2017/2018 and 2018/2019 tax years.

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 Plan prior to the distribution or reinvestment of any income, or, where there is insufficient cash in the Plan, from the sale of investments held in the Plan. Investors have full voting and other rights of share ownership. Under current legislation, investments in ISAs can grow free of capital gains tax.

## ISA Transfer

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

## Dividend Tax Allowance

The annual tax-free allowance on dividend income is £5,000 for the 2017/2018 tax year, and £2,000 for the 2018/2019 tax year. Above this amount, individuals will pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company provides registered shareholders with a confirmation of dividends paid by the Company and this should be included with any other dividend income received when calculating and reporting to HMRC total dividend income received. It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

## Literature Request Service

For literature and application forms for the Company and the Aberdeen Group's investment trust products, please contact:

Telephone: 0808 500 4000

Website: [invtrusts.co.uk/en/investmenttrusts/literature-library](http://invtrusts.co.uk/en/investmenttrusts/literature-library)

For information on the Investment Plan for Children, Share Plan, ISA or ISA Transfer please contact:

## Aberdeen Investment Trust Administration

PO Box 11020

Chelmsford

Essex CM99 2DB

Telephone: 0808 500 0040

(free when dialling from a UK landline)

Terms and conditions for the Aberdeen managed savings products can also be found under the literature section of [invtrusts.co.uk](http://invtrusts.co.uk).

## Online Dealing Details

### Investor information

There are a number of other ways in which you can buy and hold shares in this 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. Some well-known online providers, which can be found through internet search engines, include:

- AJ Bell You Invest
- Alliance Trust Savings
- Barclays Stockbrokers
- Charles Stanley Direct
- Halifax Share Dealing
- Hargreave Hale
- Hargreaves Lansdown
- Idealing
- Interactive Investor/TD Direct
- Selftrade Equiniti
- The Share Centre
- Stocktrade

### 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 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)

### 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 Asian Pacific countries excluding 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 such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs, and intends to continue to do so for the foreseeable future, in order that its shares can be recommended by a financial adviser to

ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream pooled investments ("NMPIS").

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

### Note

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

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

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

*The information on pages 16 to 18 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.*



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# Corporate Information

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## Directors

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

## Company Secretary & Registered Office

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

## Alternative Investment Fund Manager

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

## Investment Manager

Aberdeen Asset Management 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 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@aberdeen-asset.com](mailto:inv.trusts@aberdeen-asset.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

KPMG LLP  
Chartered Accountants  
319 St. Vincent Street  
Glasgow G2 5AS

## Solicitors

Dentons LLP  
One London Wall  
London EC2Y 5AB

## Bankers

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



