

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** It contains proposals relating to the reconstruction and voluntary winding up of Asia Dragon Trust plc (the “Company” or “Asia Dragon”) on which Shareholders are being asked to vote and in relation to which Shareholders have the right to make an Election. If you are in any doubt about the action you should take you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (“FSMA”) if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside of the United Kingdom, without delay.

If you sell or transfer, or have sold or transferred, all of your Ordinary Shares, please send this document together with the accompanying documents (but not the accompanying personalised Forms of Proxy or Form of Election) as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, the prospectus published by Invesco Asia Trust plc (“**Invesco Asia**” or “**IAT**”) (the “**IAT Prospectus**”) should not be forwarded to or transmitted in or into Australia, Canada, Japan, New Zealand, the Republic of South Africa or any EEA State, or into any other jurisdictions if to do so would constitute a violation of the relevant laws and regulations in such other jurisdictions. Shareholders who are resident in, or citizens of, territories outside the United Kingdom should read the sections titled “*Overseas Shareholders*” in Parts 3 and 4 of this document.

The New IAT Shares are not and will not be registered under the US Securities Act of 1933, as amended (the “**US Securities Act**”), and the New IAT Shares may not be offered or sold within the United States, or to or for the benefit of “U.S. persons” as defined in Regulation S under the US Securities Act (“**US Persons**”), except pursuant to an exemption from the registration requirements of the US Securities Act. Additionally, Invesco Asia is not, and does not intend to be, registered as an investment company under the US Investment Company Act of 1940, as amended (the “**US Investment Company Act**”), and IAT Shareholders are not, and will not be, entitled to the benefits of the US Investment Company Act. No issuance, offer, purchase, sale or transfer of New IAT Shares may be made except in a manner that would not require IAT to register under the US Investment Company Act. There has been and will be no public offer of the New IAT Shares in the United States. The New IAT Shares are being offered and sold solely: (i) outside the United States to persons who are not US Persons in “offshore transactions” as defined in and pursuant to Regulation S under the US Securities Act; and (ii) within the United States to, or to US Persons that are, both “qualified institutional buyers” (“**QIBs**”) as defined in Rule 144A under the US Securities Act and “qualified purchasers” as defined in Section 2(a)(51) of the US Investment Company Act (“**Qualified Purchasers**”), pursuant to an exemption from the registration requirements of the US Securities Act, and that, in the case of (ii), have executed a US Investor Representation Letter and returned it to the addressees.

In connection with the Scheme, US Persons that are existing holders of shares in the Company and holders in the United States (“**US Shareholders**”) are requested (where applicable) to execute the US Investor Representation Letter annexed to the IAT Prospectus and return it to the addressees in accordance with the instructions printed thereon.

Capitalised terms used in this document have the meanings ascribed to them in Part 7 of this document (unless the context otherwise requires).

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## **ASIA DRAGON TRUST PLC**

*(Incorporated and registered in Scotland with registered number SC106049)*

*(An investment company under section 833 of the Companies Act 2006)*

**Recommended proposals for the members’ voluntary winding up of the Company and combination with Invesco Asia Trust plc**

**and**

**Notices of General Meetings**

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This document should be read in conjunction with the IAT Prospectus. The IAT prospectus is available on the Invesco Asia website at [www.invesco.co.uk/invescoasia](http://www.invesco.co.uk/invescoasia). The Proposals described in this document are conditional, amongst other things, on Shareholder approval. Your attention is drawn to pages 44 and 45 of this document which summarise the risk factors associated with the Proposals. Your attention is further drawn to the letter from the Chairman of the Company set out in

Part 1 of this document which contains, among other things, the recommendation of the Directors that Shareholders vote in favour of the Resolutions to be proposed at the General Meetings referred to below. This document should be read in its entirety before deciding what action you should take.

Notices of two general meetings of the Company to be held on 4 February 2025 and on 13 February 2025, respectively, (the “**General Meetings**”) are set out at the end of this document. Both General Meetings will be held at Wallacespace Spitalfields, 15-25 Artillery Lane, London E1 7LP.

All Shareholders are encouraged to vote in favour of the Resolutions to be proposed at the General Meetings and, if their Ordinary Shares are not held directly, to arrange for their nominee to vote on their behalf. Forms of Proxy for use in connection with the General Meetings are enclosed. To be valid for use at the General Meetings, the Forms of Proxy must be completed, signed and returned using the enclosed blue flashed reply-paid envelope, in accordance with the instructions printed thereon to the Registrar, Equiniti, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA as soon as possible and, in any event, by no later than 48 hours (excluding any part of a day that is not a Business Day) before the time of the relevant General Meeting. Shareholders who prefer to appoint a proxy or proxies electronically *via* the internet can do so by visiting [www.shareview.co.uk](http://www.shareview.co.uk) and registering for a Shareview portfolio by following the online instructions. It is important that you register for a Shareview portfolio with enough time to complete the registration and authentication process. Alternatively, Shareholders who have already registered with the Registrar's online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) using their user ID and password. Once logged in, click “View” on the “My Investments” page, click the link to vote and then follow the on-screen instructions. Proxy appointments must be submitted so as to be received by the Registrar by no later than 48 hours (excluding any part of a day that is not a Business Day) before the time of the relevant General Meeting. Shareholders who hold their Ordinary Shares in uncertificated form (that is, in CREST) may vote using the CREST electronic voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notices of the General Meetings set out at the end of this document). Proxy appointments submitted *via* CREST for the General Meetings must be transmitted so as to be received by the Registrar as soon as possible and, in any event, by no later than 48 hours (excluding any part of a day that is not a Business Day) before the time of the relevant General Meeting. If you are an institutional investor, you may be able to appoint a proxy electronically *via* the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. Your proxy appointment must be received by the Registrar by no later than 48 hours (excluding any part of a day that is not a Business Day) before the time of the relevant General Meeting. Before you can appoint a proxy *via* this process, you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

Shareholders who hold Ordinary Shares in certificated form will also find enclosed with this document a Form of Election for use in connection with the Proposals. To be valid, Forms of Election must be completed and returned to the Receiving Agent, Equiniti, using the enclosed reply-paid envelope, at Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to arrive as soon as possible and, in any event, by no later than 1.00 p.m. on 5 February 2025. Shareholders who hold their Ordinary Shares in uncertificated form will not receive a Form of Election and should make their elections in accordance with the instructions contained in the section of this document titled “*Ordinary Shares held in uncertificated form (that is, in CREST)*”, which can be found in Part 3 of this document. All Elections will be irrevocable and may not be withdrawn or amended without the consent of the Directors. Failure to return a Form of Election or to submit a TTE Instruction (as applicable) or the return of a Form of Election which is not validly completed will result in the relevant Shareholder (other than certain Overseas Shareholders) being deemed to have elected for the Rollover Option in respect of their entire holding of Ordinary Shares. Overseas Shareholders will not be sent a copy of the IAT Prospectus and should read the sections titled “*Overseas Shareholders*” in Parts 3 and 4 of this document.

Winterflood Securities Limited (“**Winterflood**”) which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting for the Company and no one else in connection with the Proposals and will not be responsible to anyone other than the Company for

providing the protections afforded to clients of Winterflood or for providing advice in relation to the Proposals, the contents of this document and the accompanying documents or any other matter referred to herein or therein. This does not exclude any responsibilities which Winterflood may have under FSMA or the regulatory regime established thereunder.

## **NOTICE TO US SHAREHOLDERS**

Neither the U.S. Securities and Exchange Commission (the “**SEC**”) nor any securities supervisory authority of any state or other jurisdiction in the United States has approved or disapproved the Scheme or reviewed it for its fairness, nor have the contents of this document or any other documentation relating to the Scheme been reviewed for accuracy, completeness or fairness by the SEC or any securities supervisory authority in the United States. Any representation to the contrary is a criminal offence in the United States.

The Scheme is being implemented subject to United Kingdom disclosure requirements, which are different from certain United States disclosure requirements. In addition, US Shareholders should be aware that this document has been prepared in accordance with a UK format and style, which differs from the US format and style. In particular, parts of this document contain information concerning the Scheme required by UK disclosure requirements which may be material and may not have been summarised elsewhere in the document. Furthermore, the Scheme will be subject to other procedural requirements, including with respect to withdrawal rights, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.

IAT Shares are not listed on a US securities exchange and Invesco Asia is not subject to the periodic reporting requirements of the US Exchange Act and is not required to, and does not, file any reports with the US Securities and Exchange Commission thereunder (the “**SEC**”). The Scheme is not subject to the disclosure and other procedural requirements of Regulation 14D under the US Exchange Act.

The Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each US Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of making a decision regarding the Scheme.

It may be difficult for US Shareholders to enforce their rights and any claim arising out of the US federal securities laws, since Invesco Asia is located in a foreign country, and all of its current officers and directors (and a majority of the Proposed Directors) are citizens and residents of a foreign country. US Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the US securities laws. Further, it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court’s judgement.

Whether located in the United States or elsewhere, US Shareholders will receive any cash consideration in Pounds Sterling.

**It is important that you complete and return the Forms of Proxy, appoint a proxy or proxies electronically or use the CREST electronic voting service in the manner referred to above, and return the Form of Election or submit a TTE Instruction (as applicable) as soon as possible. Your attention is drawn to the section titled “Action to be taken by Shareholders” on pages 5 and 6 of this document.**

**18 December 2024**

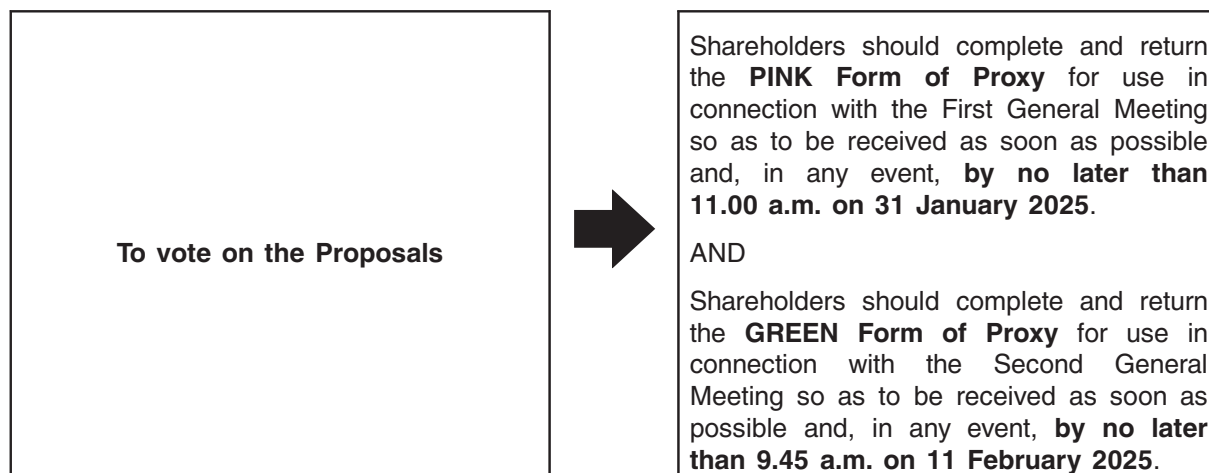
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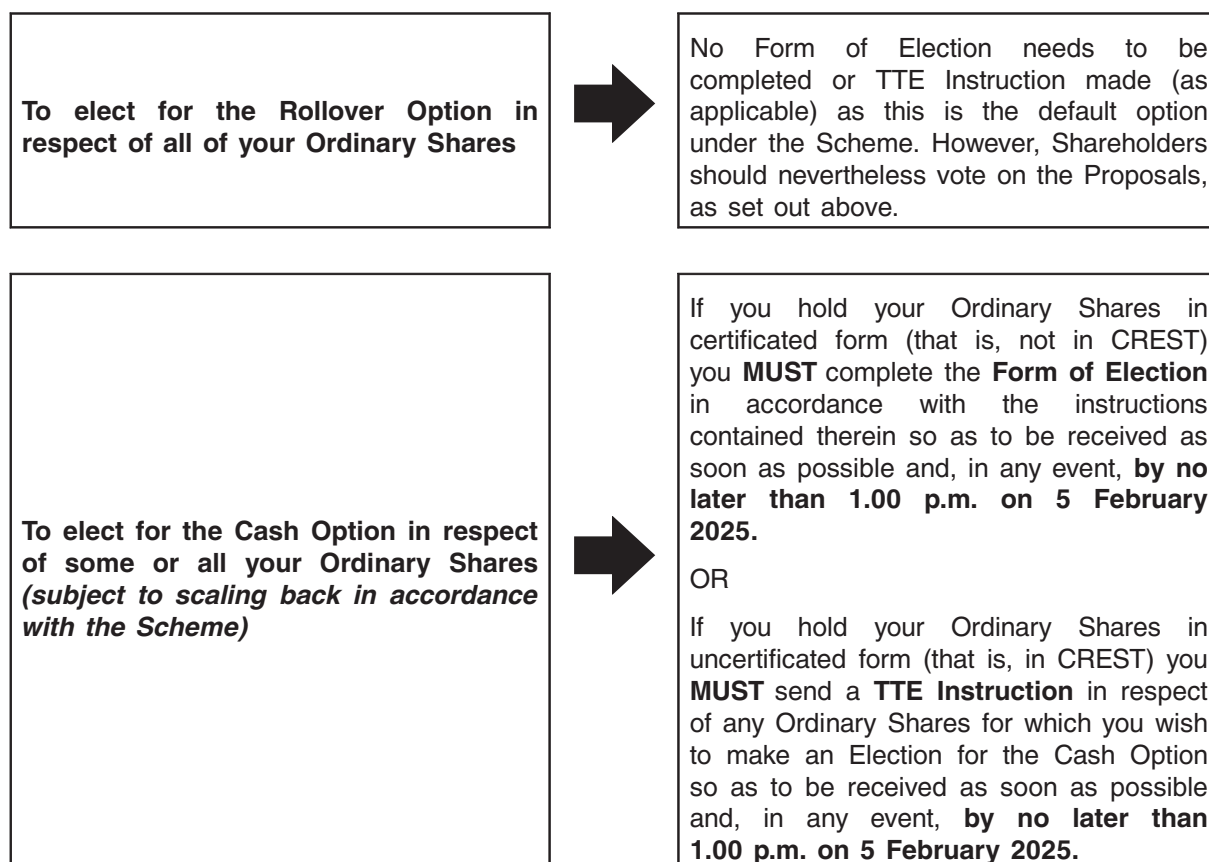
## ACTION TO BE TAKEN BY SHAREHOLDERS

Full details of the action to be taken by Shareholders are set out in the section of Part 1 of this document titled “*Action to be taken*”, which can be found on pages 16 to 18 of this document, and in the instructions contained in the Forms of Proxy and the Form of Election. You should read the whole of this document before deciding what action to take. The attention of Overseas Shareholders is drawn to the sections titled “*Overseas Shareholders*” in Parts 3 and 4 of this document.

### TO VOTE ON THE PROPOSALS



### TO MAKE AN ELECTION



### Shareholders

If you have any questions relating to the completion and return of your Forms of Proxy and/or the Form of Election, please contact the Registrar, on +44 (0)371 384 2050. Calls are charged at the

standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales. Please note that the Registrar cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Only Shareholders who hold Ordinary Shares as at 6.00 p.m. on 5 February 2025 are able to elect for the Cash Option in respect of those Ordinary Shares. The extent to which a Shareholder elects for the Cash Option is a matter for each Shareholder to decide, and will be influenced by their own personal, financial and tax circumstances and investment objectives. Shareholders should seek advice from their own professional advisers.

### **Overseas Shareholders**

An Overseas Shareholder (being a Shareholder who has a registered address outside, or who is resident in, or a citizen, resident or national of, a jurisdiction outside, the United Kingdom, the Channel Islands and the Isle of Man) will not be entitled to receive New IAT Shares under the Scheme unless they have provided evidence, to the reasonable satisfaction of the Company, Invesco Asia and the Liquidators (taking appropriate advice), that they are permitted to hold New IAT Shares under any relevant securities laws or regulations of the relevant jurisdiction and that Invesco Asia will not be subject to any additional regulatory requirements to which it would not be subject but for such issue.

Overseas Shareholders who wish to receive New IAT Shares under the Scheme should therefore contact the Company directly as soon as possible and, in any event, by no later than 5.00 p.m. on 31 January 2025 if they are able to demonstrate, to the satisfaction of the Directors, the IAT Directors and the Liquidators (taking appropriate advice), that they can be issued New IAT Shares without breaching any relevant securities laws.

**If an Overseas Shareholder does not contact the Company and provide the required evidence as noted above, such Overseas Shareholder will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Shares. Such deemed elections will be subject to scaling back in accordance with paragraph 2.1 of Part 4 of this document.** To the extent that an Overseas Shareholder is due to receive New IAT Shares under the Scheme (i.e. to the extent that the Overseas Shareholder's deemed election for the Cash Option is scaled back), then such New IAT Shares will instead be issued to the Liquidators as nominees for the relevant Overseas Shareholder and sold by the Liquidators in the market, with the net proceeds paid to the relevant Overseas Shareholder in accordance with paragraph 15 of Part 4 of this document.

### **US Shareholders**

Any US Shareholder receiving this document is requested to execute the US Investor Representation Letter annexed to the IAT Prospectus and return it to the addressees.

If a US Shareholder does not execute and return a US Investor Representation Letter, to the extent that such US Shareholder is due to receive New IAT Shares under the Scheme (i.e. to the extent that the US Shareholder's deemed election for the Cash Option is scaled back), then such New IAT Shares will instead be issued to the Liquidators as nominees for the relevant US Shareholder and sold by the Liquidators in the market, with the net proceeds paid to the relevant US Shareholder in accordance with paragraph 15 of Part 4 of this document.

US Shareholders who have any questions regarding the submission of the US Investor Representation Letter may call Invesco Asia's Receiving Agent, Link Group, on +44 (0)371 664 0321; calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. until 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Link Group cannot give any advice on how US Shareholders should complete the US Investor Representation Letter.



## EXPECTED TIMETABLE

2025

Latest time and date for receipt of PINK Forms of Proxy and CREST voting instructions in respect of the First General Meeting	11.00 a.m. on 31 January
<b>First General Meeting</b>	11.00 a.m. on 4 February
Latest time and date for receipt of Forms of Election and TTE Instructions	1.00 p.m. on 5 February
Record Date for entitlements under the Scheme	6.00 p.m. on 5 February
Settlement of Ordinary Shares disabled in CREST	6.00 p.m. on 5 February
Trading in the Ordinary Shares on the London Stock Exchange is suspended	7.30 a.m. on 6 February
Calculation Date	5.00 p.m. on 6 February
Latest time and date for receipt of GREEN Forms of Proxy in respect of the Second General Meeting	9.45 a.m. on 11 February
Reclassification of the Ordinary Shares (and commencement of dealings in Reclassified Shares)	8.00 a.m. on 12 February
Suspension of listing of Reclassified Shares and Company's Register closes	7.30 a.m. on 13 February
<b>Second General Meeting</b>	<b>9.45 a.m. on 13 February</b>
Appointment of Liquidators	13 February
Effective Date for implementation of the Scheme	13 February
Announcement of the results of Elections, the DGN FAV per Share, the Cash NAV per Share and the IAT FAV per Share	13 February
CREST accounts credited with, and dealings commence in, New IAT Shares	at, or soon after, 8.00 a.m. on 14 February
Cheques despatched to Shareholders who elect or are deemed to elect for the Cash Option in accordance with their Cash Entitlements and CREST accounts credited with cash	not later than 10 Business Days from the Effective Date
Share certificates in respect of New IAT Shares despatched	not later than 10 Business Days from the Effective Date
Cancellation of listing of Reclassified Shares	as soon as practicable after the Effective Date

### Notes:

- 1) All references to time in this document are to London (UK) time, unless otherwise stated.
- 2) The timetable set out above and referred to throughout this document and any accompanying documents may be subject to change. If any of the above times and/or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement through a Regulatory Information Service.

## PART 1 – LETTER FROM THE CHAIRMAN

### ASIA DRAGON TRUST PLC

*(Incorporated and registered in Scotland with registered number SC106049)  
(An investment company within the meaning of section 833 of the Companies Act 2006)*

*Directors:*

James Will (*Chairman*)  
Matthew Dobbs  
Susan Sternglass Noble  
Stephen Souchon  
Nicole Yuen

*Registered Office:*

1 George Street  
Edinburgh  
EH2 2LL

18 December 2024

Dear Shareholder

#### **Recommended proposals for the members' voluntary winding up of the Company and combination with Invesco Asia Trust plc**

##### **Introduction**

As announced by the Company on 28 October 2024, the Board has agreed terms with the board of Invesco Asia Trust plc ("**Invesco Asia**" or "**IAT**") for a combination of the assets of the Company with Invesco Asia. If approved, the combination will be implemented by way of a scheme of reconstruction and members' voluntary winding up of the Company under section 110 of the Insolvency Act (the "**Scheme**") and the associated transfer of part of the Company's cash, assets and undertaking to Invesco Asia in exchange for the issue of New IAT Shares to Shareholders who are deemed to have elected to roll over their investment in the Company into Invesco Asia.

The Scheme will be implemented by way of a scheme of reconstruction and members' voluntary liquidation of the Company under which Shareholders will be entitled to elect to receive in respect of some or all of their Shares:

- (a) New IAT Shares (the "**Rollover Option**"); and/or
- (b) cash (the "**Cash Option**").

The Proposals are conditional upon, amongst other things, the approval of Shareholders at the General Meetings and the approval by IAT Shareholders of the issue of the New IAT Shares.

The Cash Option is limited to 25 per cent. of the Company's Shares in issue (excluding Shares held in treasury) as at the Calculation Date. Should total elections for the Cash Option exceed 25 per cent. of the Company's Shares in issue (excluding Shares held in treasury), excess elections for the Cash Option will be scaled back into New IAT Shares on a *pro rata* basis.

The Cash Option will be offered at a discount of two per cent. to the Residual Net Asset Value. Each DGN Shareholder who elects, or is deemed to elect, for the Cash Option will receive an amount in cash equal to their *pro rata* share of the realisation proceeds of the cash pool created pursuant to the Scheme to reflect the number of Asia Dragon Shares held by such shareholder that have been elected, or are deemed to have been elected, for the Cash Option. The Cash Option Discount will be applied initially for the benefit of those DGN Shareholders rolling over into Invesco Asia to meet the Company's Direct Transaction Costs, with any balance being for the benefit of the enlarged Invesco Asia.

New IAT Shares will be issued as the default option under the Scheme in the event that DGN Shareholders do not make a valid election for the Cash Option under the Scheme, or only elect for the Cash Option in respect of a proportion of their Shares, or to the extent elections for the Cash Option are scaled back as a result of the Cash Option being oversubscribed.

The purpose of this document is to explain the Proposals and the actions required to be taken in order for them to be implemented and to convene the General Meetings, notices of which are set out at the end of this document. Further details of the Resolutions to be proposed at the General Meetings are set out below. The expected timetable associated with the Proposals is provided on page 7 of this document.



The Company and Invesco Asia have each received an irrevocable undertaking from City of London Investment Management Limited representing, as at 12 December 2024, 29.9 per cent. of the Company's issued Share capital and 20.4 per cent. of Invesco Asia's issued share capital (in each case excluding shares held in treasury) and letters of intent or indications of support from shareholders representing a further 26.5 per cent. of the Company's issued Share capital and 17.7 per cent. of Invesco Asia's issued share capital (in each case excluding shares held in treasury), to support the Proposals.

**The Board considers the Proposals to be in the best interests of Shareholders as a whole and recommends that Shareholders vote in favour of the Resolutions required to implement the Proposals at the General Meetings.**

## **The Proposals**

### ***Background to, and rationale for, the Proposals***

In May 2024, the Company announced that it would undertake a full strategic review of the future of the Company, including the ongoing investment management arrangements, and that the Board would be interested to consider proposals from established fund management groups with experience of managing equity strategies similar to that pursued by the Company. The Board was pleased by the interest it received in response to the strategic review from a large number of high-quality management groups, which were evaluated by the Board, with the assistance of Stanhope Consulting. The Board gave consideration to retaining the existing manager; appointing a new external third-party manager; and entering into a combination with another investment trust.

The Board announced the conclusion of its strategic review on 28 October 2024, noting that it had agreed, in principle, the terms for a combination of the assets of the Company with Invesco Asia by means of the Scheme, which will also provide Shareholders with the option of a limited cash exit. The Board was impressed by the distinctive and disciplined value-oriented investment approach employed by Invesco Fund Managers Limited ("**IFML**") which has delivered attractive returns for IAT Shareholders over the long term. Furthermore, the Board believes Invesco Asia's active core Asia (ex-Japan) investment strategy, alongside its policy of paying an annual dividend equal to 4 per cent. of its NAV, will appeal to DGN Shareholders.

If the Scheme becomes effective, Invesco Asia will continue to be managed by IFML, in accordance with its existing investment objective: namely to provide long-term capital growth and income by investing in a diversified portfolio of Asian (ex Japan) and Australasian companies. Invesco Asia aims to achieve growth in its NAV total return in excess of its benchmark index, the MSCI AC Asia ex Japan Index (total return, net of withholding tax, in sterling terms).

Further information on Invesco Asia is provided in Part 2 of this document and in the IAT Prospectus which is available on the Invesco Asia website at [www.invesco.co.uk/invescoasia](http://www.invesco.co.uk/invescoasia).

### ***Benefits of the Proposals***

The Board believes the Scheme presents an attractive proposal for the Company and its Shareholders for the following reasons:

- **Strong long-term investment performance:** Invesco Asia has delivered a NAV total return of 47.2 per cent. over the five years to 30 November 2024, representing outperformance of 24.1 per cent. against the MSCI AC Asia ex Japan Index which has delivered a five-year total return of 23.1 per cent. over the same time period.
- **Unconstrained investment approach:** Invesco Asia has a highly rated and experienced investment team with an unconstrained investment approach and a focus on valuation whereby the managers seek to identify stocks that have become dislocated from fair value with a potential catalyst for change.
- **Aligned investment exposure:** The Scheme will allow shareholders to continue their investment in a core Asia (ex-Japan) equity strategy.
- **Increased dividend:** DGN Shareholders rolling into Invesco Asia will benefit from a significant increase in dividend as a result of Invesco Asia's policy of paying a distribution of four per cent. of NAV per annum which will move from semi-annual to four quarterly payments each equal to one per cent. of NAV.

- **Depth of resource:** Invesco Ltd, a global asset manager with US\$1,795.6 billion of assets under management (as at 30 September 2024), including US\$15.9 billion managed by the Invesco Asian & Emerging Market Equities Team based in the UK, will remain as the investment manager of the combined entity. Invesco Asia will continue to benefit from the expertise of its co-portfolio managers, Fiona Yang and Ian Hargreaves, and that of the wider team.
- **Partial cash exit:** The Scheme will provide DGN Shareholders with the opportunity to elect to exit part or all of their holding in the Company for cash, subject to an overall limit of 25 per cent. of the issued Share capital of the Company (excluding Shares held in treasury).
- **Continued scale:** The combination with Invesco Asia will allow DGN Shareholders to continue to participate in a vehicle of scale, with the enlarged Invesco Asia expected to be a constituent of the FTSE 250, notwithstanding the potential substantial return of capital by the Company pursuant to the Cash Option.
- **Periodic exit opportunity:** Following completion of the Proposals, Invesco Asia intends to introduce triennial unconditional tender offers for up to 100 per cent. of the issued share capital of Invesco Asia, with the first tender offer expected to be put forward to IAT Shareholders by no later than the date of announcement of its final results for the financial year ending 30 April 2028.
- **Discount management policy:** Invesco Asia will maintain its stated average discount target of less than ten per cent. of NAV calculated on a cum-income basis over the financial year.
- **Competitive management fee:** IFML and Invesco Asia have agreed that, with effect from the admission to listing and trading of the New IAT Shares, the management fee payable by Invesco Asia to IFML will be reduced to 0.75 per cent. on the initial £125 million of net assets; 0.6 per cent. of net assets between £125 million and £450 million; and 0.5 per cent. on net assets in excess of £450 million. The new Invesco Asia fee structure will result in a lower blended management fee than is currently payable by Asia Dragon.
- **Lower ongoing charges:** the new reduced management fee structure and the economies of scale, which the combination will bring, will allow the enlarged Invesco Asia to target an ongoing charges ratio of approximately 70bps in future financial years (based upon the last published Net Asset Values of Invesco Asia and Asia Dragon as at 12 December 2024), a material improvement on Invesco Asia's current ongoing charges ratio of 103bps and an improvement on Asia Dragon's current ongoing charges ratio of 86 bps.
- **Shareholder register:** The Proposals will allow a number of shareholders to consolidate their holdings across the two companies while also creating a more diversified shareholder base through a combination of the balance of the two share registers.
- **Contribution to costs:** IFML has agreed to make a cost contribution to the Proposals equivalent to the management fees payable on the assets transferred from the Company to Invesco Asia for a period of nine months and based on Invesco Asia's proposed new management fee structure. The value of the contribution will be applied initially to meet Invesco Asia's Direct Transaction Costs, with any excess applied for the benefit of all shareholders in the combined entity. Further details on the Invesco Contribution, including the circumstances under which Invesco Asia may be obliged to repay all or part of such contribution, are set out on page 13 below.

## **Dividends**

### ***Pre-liquidation interim dividend***

In connection with the Proposals, the Board intends, subject to the passing of the Resolutions to be proposed at the First General Meeting, to pay a pre-liquidation interim dividend. The quantum and timing of this dividend will be announced by the Board in due course but it is intended that it will be paid to Shareholders prior to the Effective Date of the Scheme.

All Shareholders will be entitled to receive the pre-liquidation interim dividend, regardless of whether they elect (or are deemed to elect) for the Rollover Option or the Cash Option under the Scheme.

### **Future Invesco Asia dividends**

New IAT Shares issued in connection with the Scheme will rank fully *pari passu* with existing IAT Shares for all dividends declared by Invesco Asia with a record date falling after the date of the issue of those New IAT Shares.

Invesco Asia will maintain its current policy of paying an annual dividend equal to four per cent. of its NAV; but will increase the frequency of its dividend payments from the current half-yearly basis (two per cent. in each of November and April) to a quarterly basis (four dividends of one per cent. every three months) with payments made in January, April, July and October of each year.

Invesco Asia paid a dividend of 7.80 pence per IAT Share (being two per cent. of the NAV per IAT Share as at 30 September 2024) in November 2024; and intends to pay a dividend of 3.90 pence per IAT Share (being one per cent. of the NAV per IAT Share as at 30 September 2024) in each of January and April 2025. The January 2025 dividend will have a record date falling prior to completion of the Scheme, so that the first dividend to which DGN Shareholders receiving New IAT Shares under the Scheme will be entitled will be the dividend expected to be paid in April 2025. The date by reference to which the four per cent. figure is calculated will also be changed in respect of future financial years, from the last business day in September to the last business day in April of each year.

### **Management of the Company's portfolio prior to implementation of the Scheme**

The Board has instructed the Company's AIFM to consider the potential reorganisation of the Company's investment portfolio so that by the Calculation Date it contains assets that are suitable for transfer to Invesco Asia and also to ensure that the Company has sufficient cash to meet the amounts expected to be due in respect of Elections for the Cash Option, as well as meeting any remaining indebtedness and/or liabilities.

### **Periodic Unconditional Tender Offers**

Subject to the completion of the Scheme, Invesco Asia intends to introduce triennial unconditional tender offers for up to 100 per cent. of the issued share capital of Invesco Asia at a four per cent. discount to prevailing NAV (debt at fair value, cum income) ("**Unconditional Tender Offers**"), with the first Unconditional Tender Offer expected to be put forward to IAT Shareholders by no later than the date of announcement of its final results for the financial year ended 30 April 2028.

If any Unconditional Tender Offer were to result in the net asset value of Invesco Asia falling below any minimum size condition established by the IAT Board in connection with that Unconditional Tender Offer, the IAT Board would consult with major shareholders on the future of Invesco Asia and, if appropriate, put forward proposals for a strategic review of the options for Invesco Asia's future and/or for Invesco Asia's reconstruction, reorganisation or winding up.

Invesco Asia currently has in place a triennial continuation vote, with the next continuation resolution scheduled for September 2025 and a five-yearly performance-related conditional tender offer pursuant to which Invesco Asia would undertake a tender offer for up to 25 per cent. of Invesco Asia's issued share capital at a discount of two per cent. to the prevailing NAV per share (after deduction of tender costs) in the event that Invesco Asia's NAV cum-income total return performance over the five-year period to 30 April 2025 failed to exceed the MSCI AC Asia ex Japan Index (net of withholding tax, total return in sterling terms) by 0.5 per cent. per annum over the five years on a cumulative basis.

The periodic Unconditional Tender Offers are intended to replace the triennial continuation vote and the performance-related conditional tender offer, and the IAT Directors are proposing a special resolution at the IAT General Meeting to amend the IAT Articles to, among other things, remove the existing continuation vote from the IAT Articles. The introduction of the Unconditional Tender Offers to replace both the existing triennial continuation vote and the conditional tender offer is conditional on the passing of this special resolution and on the Scheme becoming unconditional in all respects. If IAT shareholders do not pass the special resolution amending the IAT Articles but they do approve the Scheme, the Scheme will be implemented but IAT will not introduce the periodic Unconditional Tender Offers and instead continue with the *status quo*, being the triennial continuation vote and the performance-related conditional tender offer.

### **Discount management policy**

Invesco Asia has a stated average discount target of less than ten per cent. of NAV (calculated on a cum-income basis) over each financial year, although the IAT Directors are cognisant of the fact that Invesco Asia's share rating at any given time will reflect a combination of various factors, a number of which are beyond the IAT Board's control. Share buybacks are undertaken where and when the IAT Board considers that such buybacks will be effective, taking into account market factors and the discounts of comparable investment companies, and having regard to the greater latitude afforded to Invesco Asia with its increased size following implementation of the Proposals.

### **Invesco Asia name**

As part of the Proposals, it is intended that Invesco Asia will change its name to 'Invesco Asia Dragon Trust plc' and its ticker to 'IAD'. This change of name and ticker will become effective as soon as practicable following the Effective Date of the Scheme.

### **Invesco Asia Board composition**

Upon the Scheme becoming effective, James Will, Matthew Dobbs, Susan Sternglass Noble and Nicole Yuen, Directors of the Company, will each join the IAT Board as a non-executive director. The board of the enlarged Invesco Asia will therefore comprise eight directors immediately following implementation of the Scheme, comprising all four directors from the current IAT Board and four directors from the Board of the Company. It is intended that over the medium-term, the number of directors on the enlarged IAT Board will reduce to six individuals.

### **Costs of implementing the Proposals**

The Company and Invesco Asia have each agreed to bear their own costs in relation to the Proposals.

The Direct Transaction Costs of the Proposals (excluding any costs of reorganising or realising the Company's portfolio which are unknown as at the date of this document) payable by the Company are expected to be approximately £1.58 million inclusive of VAT (which is assumed to be irrecoverable where applicable). For the avoidance of doubt, this estimate of costs includes the sum of c.£468,000 to be repaid to the Company's AIFM in connection with the AIFM's contribution to costs of the 2023 Combination and excludes the Liquidators' Retention (estimated at £100,000) to cover unknown or unascertained liabilities of the Company.

The Direct Transaction Costs of the Company (excluding any costs of reorganising or realising the Company's portfolio which are unknown as at the date of this document) are expected to be fully offset by the Cash Option Discount (assuming the Cash Option is taken up in full).

The Direct Transaction Costs of the Proposals payable by Invesco Asia are expected to be approximately £1.05 million inclusive of VAT (which is assumed to be irrecoverable where applicable). In addition, Invesco Asia, as enlarged, will also incur listing fees in respect of the listing of the New IAT Shares and transfer taxes/costs based on the value and constitution of the Rollover Pool.

In the event that either DGN Shareholders or IAT Shareholders resolve not to proceed to implement the Scheme or the Company's Directors or the IAT Directors decide not to implement the Scheme on the terms described in this document, then each party will bear its own abort costs.

For the avoidance of doubt, in any event where the Scheme is not implemented, the listing fees and transfer taxes/costs that would have been payable by Invesco Asia, as enlarged, will not be payable, but dealing costs may still have been incurred by the Company in disposing of assets in order to meet Elections made or deemed to have been made and in reorganising the Company's portfolio in respect of the Rollover Pool to be established pursuant to the Scheme.

The Liquidators' Retention is estimated at £100,000 and will be retained by the Liquidators to meet any unknown or unascertained liabilities of the Company. This retention is in addition to any provisions made in the calculation of the DGN FAV per Share in respect of known and ascertained liabilities of the Company. To the extent that some or all of the Liquidators' Retention remains at the conclusion of the liquidation, this will be returned to DGN Shareholders on the Register as at the Record Date (excluding Dissenting Shareholders). If, however, any such amount payable to any

Shareholder is less than £5.00, it will not be paid to such Shareholder and will instead be paid by the Liquidators to the Nominated Charity.

As noted above, the Cash Option Discount will be applied initially for the benefit of those DGN Shareholders rolling over into Invesco Asia to meet the Company's Direct Transaction Costs, with any balance being for the benefit of the enlarged Invesco Asia.

IFML has agreed to make a contribution to the costs of the Scheme by means of a reduction in the management fee payable by Invesco Asia to IFML. The fee reduction will constitute a waiver of the management fee that would otherwise be payable to IFML in respect of the assets transferred by the Company to Invesco Asia pursuant to the Scheme for the first nine months following the completion of the Scheme (the "**Invesco Contribution**"). The financial value of this amount (which is estimated at £2.26 million based on Invesco Asia's NAV as at 12 December 2024, assuming there are no Dissenting Shareholders and that the Cash Option is taken up in full) will be satisfied by IFML by means of a waiver of its fees for the benefit of the shareholders of the enlarged Invesco Asia. The Invesco Contribution will be applied initially for the benefit of Invesco Asia to meet its Direct Transaction Costs, with the balance being for the benefit of the shareholders of the enlarged Invesco Asia following implementation of the Scheme. In the event that the Invesco Asia investment management agreement between IFML and Invesco Asia is terminated by Invesco Asia (other than for cause) during the three-year period following the Effective Date, Invesco Asia will be obliged to repay all or part of the Invesco Contribution, depending on the date of termination and with the repayment obligation reducing by one-third on each anniversary of the Effective Date.

The Company has served protective notice of termination of the DGN AIFM Agreement on AFML. The Protective Notice provides that if the Company serves a formal notice of termination on AFML in the 12 months from 26 July 2024, the Company will be deemed to have served notice with effect from 26 July 2024. This is designed to protect the Company's position should the transaction fail to complete for any reason.

In connection with the 2023 combination between the Company and abrdn New Dawn Investment Trust plc (the "**2023 Combination**"), AFML agreed to make a contribution to the costs of the 2023 Combination by means of a reduction in the management fee payable by the Company to AFML. This cost contribution was subject to the Company not terminating the DGN AIFM Agreement (other than for cause as provided for under the DGN AIFM Agreement) within three years from the effective date of the 2023 Combination, failing which the Company would be obliged to repay all or part of the contribution (depending on the point of termination and reducing by one-third on each anniversary of the effective date). The terms of the Protective Notice referred to above are without prejudice to this repayment obligation. Accordingly, in the event that the Company serves a termination notice on AFML in connection with the Invesco Asia combination prior to 8 November 2025 (being the second anniversary of the effective date of the 2023 Combination), a sum of approximately £468,000 will be repayable to AFML, representing two thirds of the management fee waived by AFML in connection with the 2023 Combination. This sum forms part of the Direct Transaction Costs for the Company.

## **Further details of the Scheme**

### ***Entitlements under the Scheme***

#### *General*

Under the Scheme, each Shareholder on the Register on the Record Date may elect, or may be deemed to have elected, to receive:

- such number of New IAT Shares as have a value (at the IAT FAV per Share) equal to the proportion of the DGN FAV attributable to the number of Ordinary Shares so elected, being the Rollover Option; and/or
- an amount of cash equal to the Cash NAV per Share attributable to the number of Ordinary Shares so elected, being the Cash Option.

As noted above, the Cash Option is limited to 25 per cent. of the Company's Shares in issue (excluding Shares held in treasury) and will be offered at a discount of two per cent. to the Residual Net Asset Value. Should total elections for the Cash Option exceed 25 per cent. of the Company's Shares in issue (excluding Shares held in treasury), excess elections for the Cash Option will be scaled back into New IAT Shares on a *pro rata* basis. Each DGN Shareholder who



elects, or is deemed to elect, for the Cash Option will receive an amount in cash equal to their *pro rata* share of the realisation proceeds of the Cash Pool. The Cash Option Discount will be applied initially for the benefit of those DGN Shareholders rolling over into Invesco Asia to meet the Company's Direct Transaction Costs (including any amount payable on termination of the DGN AIFM Agreement and any explicit costs of portfolio reorganisation in respect of the Rollover Pool incurred by the Company), with any balance being for the benefit of the enlarged Invesco Asia.

New IAT Shares will be issued as the default option under the Scheme in the event that DGN Shareholders do not make a valid election for the Cash Option under the Scheme, or only elect for the Cash Option in respect of a proportion of their Shares, or to the extent elections for the Cash Option are scaled back as a result of the Cash Option being oversubscribed. However, Overseas Shareholders should ensure they have read the section titled "*Overseas Shareholders*" in Part 3 and paragraph 15 of Part 4 of this document.

After allocating cash and other assets to the Liquidation Pool to meet all known and unknown liabilities of the Company and other contingencies, including the Liquidators' Retention and the entitlements of any Dissenting Shareholders, there will be appropriated to the Cash Pool and the Rollover Pool the remaining assets of the Company in the manner described in paragraph 3.2 of Part 4 of this document.

In order to effect the Scheme and in accordance with valid Elections (including deemed elections) made, the Company will be required to reclassify its Ordinary Share capital into Shares with "A" rights and Shares with "B" rights. Reclassified Shares with "A" rights will entitle the holders thereof to be issued with New IAT Shares and Reclassified Shares with "B" rights will entitle the holders thereof to cash under the Cash Option, all in accordance with the detailed terms of the Scheme as set out in Part 4 of this document.

#### *Cash Entitlements*

Under the Scheme, a holder of Reclassified Shares with "B" rights will be entitled to an amount of cash equal to the Cash NAV per Share multiplied by the number of Reclassified Shares with "B" rights they hold. The Cash NAV per Share will be equal to the Cash Pool NAV divided by the total number of Reclassified Shares with "B" rights (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down).

Cash Entitlements payable to Shareholders who elect (or are deemed to elect) for the Cash Option under the Scheme will be distributed by the Liquidators, through the Receiving Agent and pursuant to the Scheme, in cash to each Shareholder entitled thereto.

If you wish to receive cash in respect of all or part of your holding of Shares you must either complete and return a Form of Election or submit a TTE Instruction (depending on how your Shares are held) in respect of the number of Shares for which you wish to make an Election for the Cash Option.

#### *New IAT Shares*

The issue of New IAT Shares under the Scheme will be effected on a FAV for FAV basis as at the Calculation Date as described in detail in Part 4 of this document. In determining the IAT FAV, the IAT NAV will be adjusted for (i) any Direct Transaction Costs of the Proposals not already accrued in the Invesco Asia NAV (but not any listing fees to be borne by Invesco Asia in respect of the listing of the New IAT Shares or any stamp duty, SDRT or other transaction tax or investment costs incurred by Invesco Asia in connection with the transfer of the Rollover Pool); (ii) any dividends announced/declared but not yet paid and not accounted for in the Invesco Asia NAV, prior to the Effective Date, which includes, for the avoidance of doubt, the IAT Second Interim Dividend; and (iii) the allocation of the benefit of the Invesco Contribution in an amount equal to Invesco Asia's Direct Transaction Costs, with any balance of the Invesco Contribution thereafter applying for the benefit of all shareholders of the enlarged Invesco Asia following implementation of the Scheme.

The DGN FAV will be equal to the Residual Net Asset Value per Share multiplied by the total number of Reclassified Shares with "A" rights, plus the benefit of the Cash Option Discount up to such amount required to defray the Company's Direct Transaction Costs with any excess value being for the benefit of Invesco Asia.



### *Calculation Date*

The Calculation Date for determining the value of the Rollover Pool and Cash Entitlements under the Scheme is expected to be 5.00 p.m. on 6 February 2025. The Record Date for the basis of determining Shareholders' entitlements under the Scheme is 6.00 p.m. on 5 February 2025. It is expected that the Liquidators will distribute Cash Entitlements (rounded down to the nearest penny) through Equiniti and pursuant to the Scheme, not later than 10 Business Days following the Effective Date.

### ***Illustrative entitlements***

**For illustrative purposes only**, had the Calculation Date been 5.00 p.m. on 12 December 2024, and assuming that there are no Dissenting Shareholders and that the Cash Option is taken up in full, the Cash NAV per Share would have been 466.941800 pence and the DGN FAV per Share would have been 477.823254 pence. The Cash NAV per Share and the DGN FAV per Share may be compared with the Company's share price and cum-income NAV per Share as at 12 December 2024 which were 427.00 pence and 477.55 pence, respectively. Shareholders should note that these illustrative figures do not take into account (i) the value of the pre-liquidation interim dividend which the Company intends to pay prior to the Effective Date and (ii) the costs of realising and reorganising the Company's portfolio prior to implementation of the Scheme, as the value of both these elements is unknown as at the date of this document. The value of the pre-liquidation interim dividend will be set at such value as is required to ensure the Company maintains investment trust status.

**For illustrative purposes only**, on the basis of the assumptions above, the IAT FAV per Share would have been 388.628911 pence which, for the Rollover Option, would have produced a conversion ratio of 1.229510 and, in aggregate, 144,060,448 New IAT Shares would have been issued to Shareholders under the Scheme, representing approximately 69.0 per cent. of the issued ordinary share capital (excluding shares held in treasury) of Invesco Asia, as enlarged, immediately following completion of the Scheme. This may be compared with Invesco Asia's share price and cum-income NAV per IAT Share as at 12 December 2024 which were 346.00 pence and 388.63 pence, respectively.

**The above figures are for illustrative purposes only and do not represent forecasts. The DGN FAV per Share, IAT FAV per Share, Cash NAV per Share and Shareholders' entitlements under the Scheme may change materially up to the Effective Date as a result of, *inter alia*, changes in the value of investments.**

### ***Scaling back of Elections for the Cash Option***

The maximum number of Shares that can be elected for the Cash Option is 25 per cent. of the total number of Shares in issue (excluding Shares held in treasury). Shareholders are entitled to elect for the Cash Option in respect of more than 25 per cent. of their individual holdings of Shares (the "**Basic Entitlement**", such excess amount being an "**Excess Application**"). However, if aggregate Elections have been made for the Cash Option which exceed 25 per cent. of the issued Shares (excluding Shares held in treasury), Shareholders who have made an Election for the Cash Option in excess of their Basic Entitlement shall have their Excess Applications scaled back in a manner which is, as near as practicable, *pari passu* and *pro rata* among all Shareholders who have made such Excess Applications.

It is expected that the Liquidators will distribute to Shareholders who have elected, or are deemed to have elected, for the Cash Option their Cash Entitlements (being rounded down to the nearest penny) not later than 10 Business Days following the Effective Date.

### **Conditions of the Proposals**

Implementation of the Proposals is subject to a number of conditions, including:

- the passing of the Resolutions to be proposed at the First General Meeting and the Resolution to be proposed at the Second General Meeting (or any adjournment of those General Meetings), and any conditions of such Resolutions being fulfilled;
- the IAT Allotment Resolution being passed and becoming unconditional in all respects;

- the FCA agreeing to admit the New IAT Shares to the closed-ended investment funds category of the Official List and the London Stock Exchange agreeing to admit the New IAT Shares to trading on the Main Market, subject only to allotment; and
- the Directors and IAT Directors resolving to proceed with the Scheme.

**If any condition is not satisfied, the Proposals will not become effective, the Company will not proceed with the members' voluntary winding up and will instead continue in existence, being managed under its current investment policy. In such circumstances the Board will reassess the options available to the Company at that time.**

### **General Meetings**

As noted above, the Proposals are conditional, amongst other things, upon Shareholders' approval of the Resolutions to be proposed at the First General Meeting and the Second General Meeting. Both General Meetings will be held at Wallacespace Spitalfields, 15-25 Artillery Lane, London E1 7LP.

### **First General Meeting**

The First General Meeting will be held on 4 February 2025 at 11.00 a.m.

Two Resolutions will be considered at the First General Meeting.

The Resolutions (both of which will be proposed as special resolutions) will, if passed, approve the terms of the Scheme set out in Part 4 of this document, amend the Articles to give effect to the Scheme and authorise the Liquidators to enter into and give effect to the Transfer Agreement with Invesco Asia, to distribute New IAT Shares to Shareholders in accordance with the Scheme and to purchase the interests of any Dissenting Shareholders. Both of the Resolutions will require at least 75 per cent. of the votes cast in respect of the relevant Resolution, whether in person or by proxy, to be voted in favour to be passed. The Scheme will not become effective unless and until, amongst other things, the Resolution to be proposed at the Second General Meeting has also been passed.

### **Second General Meeting**

The Second General Meeting will be held on 13 February 2025 at 9.45 a.m.

At the Second General Meeting, a special resolution will be proposed which, if passed, will place the Company into liquidation, appoint the Liquidators and agree the basis of their remuneration, instruct the Company Secretary to hold the books to the Liquidators' order, and provide the Liquidators with appropriate powers to carry into effect the amendments to the Articles made at the First General Meeting. The Resolution to be proposed at the Second General Meeting is conditional upon the passing of the Resolutions at the First General Meeting, the IAT Allotment Resolution being passed and becoming unconditional in all respects, the approval of the Financial Conduct Authority and the London Stock Exchange to the Admission of the New IAT Shares to the Official List and to trading on the Main Market of the London Stock Exchange, respectively, and the Directors and the IAT Directors resolving to proceed with the Scheme. The Resolution will require at least 75 per cent. of the votes cast in respect of it, whether in person or by proxy, to be voted in favour to be passed.

### **Action to be taken**

**Before taking any action, Shareholders are recommended to read the whole of this document and the IAT Prospectus which is available on the Invesco Asia website at [www.invesco.co.uk/invescoasia](http://www.invesco.co.uk/invescoasia).**

### **Elections**

New IAT Shares will be issued as the default option under the Scheme in the event that DGN Shareholders do not make a valid election for the Cash Option under the Scheme, or only elect for the Cash Option in respect of a proportion of their Shares, or to the extent elections for the Cash Option are scaled back as a result of the Cash Option being oversubscribed. **If you wish to receive New IAT Shares in respect of all of your Ordinary Shares, there is no need to**

**complete and return a Form of Election (which you will receive if you hold your Ordinary Shares directly and in certificated form).**

If you wish to receive cash in respect of all or part of your holding of Ordinary Shares, you must, as applicable, complete and return a Form of Election or submit a TTE Instruction (depending on how your Ordinary Shares are held) in respect of the number of Ordinary Shares for which you wish to make an Election for the Cash Option.

You are requested to complete the Form of Election in accordance with the instructions printed thereon and return it to the Receiving Agent at Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA as soon as possible and, in any event, so as to be received no later than 1.00 p.m. on 5 February 2025.

Overseas Shareholders should ensure they have read paragraph 15 of Part 4 of this document.

***Appointment of proxies in respect of the General Meetings***

All Shareholders are encouraged to vote in favour of the Resolutions to be proposed at the General Meetings and, if their Ordinary Shares are not held directly, to arrange for their nominee to vote on their behalf.

Shareholders are requested to complete and return proxy appointments to the Registrar by one of the following means:

- (i) by logging on to Equiniti's online portfolio service, [www.shareview.co.uk](http://www.shareview.co.uk), and following the relevant instructions; or
- (ii) by completing and signing the PINK Form of Proxy for use in relation to the First General Meeting and the GREEN Form of Proxy for use in relation to the Second General Meeting, in accordance with the instructions printed thereon and returning by post using the enclosed blue flashed reply-paid envelope; or
- (iii) in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the relevant Notice of General Meeting; or
- (iv) in the case of an institutional investor, where desired, by appointing a proxy electronically *via* the Proxymity platform in accordance with the procedures set out in the notes to the relevant Notice of General Meeting.

In each case, proxy appointments must be transmitted so as to be received by the Registrar as soon as possible and, in any event, by no later than 11.00 a.m. on 31 January 2025 in respect of the First General Meeting and 9.45 a.m. on 11 February 2025 in respect of the Second General Meeting.

Appointing a proxy (by any of the methods noted above) will not prevent you from attending and voting in person at the relevant General Meeting should you wish to do so.

If any of the Resolutions to be proposed at the General Meetings are not passed, the Proposals will not proceed and the Company will not be wound up. In these circumstances, the Board will reassess the options available to the Company at that time.

***Overseas Shareholders***

The attention of Overseas Shareholders is drawn to the sections titled "*Overseas Shareholders*" in Parts 3 and 4 of this document.

Overseas Shareholders will not receive a copy of the IAT Prospectus unless they have satisfied the Directors and the IAT Directors that they are entitled to receive and hold New IAT Shares without breaching any relevant securities laws and without the need for compliance on the part of the Company or Invesco Asia with any overseas laws, regulations, filing requirements or the equivalent.

Subject to certain exceptions described herein, no action has been taken or will be taken in any jurisdiction other than the UK where action is required to be taken to permit the distribution of this document and/or the IAT Prospectus. Accordingly, such documents may not be used for the purpose of, and do not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

An Overseas Shareholder (being a Shareholder who has a registered address outside, or who is resident in, or a citizen, resident or national of, a jurisdiction outside, the United Kingdom, the Channel Islands and the Isle of Man) will not be entitled to receive New IAT Shares under the Scheme unless they have provided evidence, to the reasonable satisfaction of the Company, Invesco Asia and the Liquidators (taking appropriate advice), that they are permitted to hold New IAT Shares under any relevant securities laws or regulations of the relevant jurisdiction and that Invesco Asia will not be subject to any additional regulatory requirements to which it would not be subject but for such issue.

Overseas Shareholders who wish to receive New IAT Shares under the Scheme should therefore contact the Company directly as soon as possible and, in any event, by no later than 5.00 p.m. on 31 January 2025 if they are able to demonstrate, to the satisfaction of the Directors, the IAT Directors and the Liquidators (taking appropriate advice), that they can be issued New IAT Shares without breaching any relevant securities laws.

**If an Overseas Shareholder does not contact the Company and provide the required evidence as noted above, such Overseas Shareholder will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Shares. Such deemed elections will be subject to scaling back in accordance with paragraph 2.1 of Part 4 of this document.** To the extent that an Overseas Shareholder is due to receive New IAT Shares under the Scheme (i.e. to the extent that the Overseas Shareholder's deemed election for the Cash Option is scaled back), then such New IAT Shares will instead be issued to the Liquidators as nominees for the relevant Overseas Shareholder and sold by the Liquidators in the market, with the net proceeds paid to the relevant Overseas Shareholder in accordance with paragraph 15 of Part 4 of this document.

### **US Shareholders**

Any US Shareholder receiving this document is requested to execute the US Investor Representation Letter annexed to the IAT Prospectus and return it to the addressees.

If a US Shareholder does not execute and return a US Investor Representation Letter, to the extent that such US Shareholder is due to receive New IAT Shares under the Scheme (i.e. to the extent that the US Shareholder's deemed election for the Cash Option is scaled back), then such New IAT Shares will instead be issued to the Liquidators as nominees for the relevant US Shareholder and sold by the Liquidators in the market, with the net proceeds paid to the relevant US Shareholder in accordance with paragraph 15 of Part 4 of this document.

US Shareholders who have any questions regarding the submission of the US Investor Representation Letter may call Invesco Asia's Receiving Agent, Link Group, on +44 (0)371 664 0321; calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. until 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Link Group cannot give any advice on how US Shareholders should complete the US Investor Representation Letter.

### **Taxation**

Shareholders are advised to read carefully the section titled "*Taxation*" in Part 3 of this document which sets out a general guide to certain aspects of current UK taxation law and HMRC published practice.

**Shareholders who are in any doubt as to their tax position or who may be subject to tax in any jurisdiction other than the UK are strongly advised to consult their own professional advisers.**

### **Recommendation**

The Board, which has been so advised by Winterflood Securities Limited, considers the Proposals and the Resolutions to be proposed at the General Meetings to be in the best interests of Shareholders as a whole. In providing advice to the Board, Winterflood has relied on the Board's commercial assessment of the Proposals.

**Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meetings, as the Directors intend to do in respect of their own beneficial holdings, which in aggregate amount to 78,446 Ordinary Shares, representing approximately 0.05 per cent. of the Company's issued Ordinary Share capital as at 12 December 2024.**

The Board cannot, and does not, give any advice or recommendation to Shareholders as to whether, or as to what extent, they should elect for any of the options available under the Scheme. Choices in connection with the Scheme will be a matter for each Shareholder to decide and will be influenced by their individual investment objectives and by their personal, financial and tax circumstances. Accordingly, Shareholders should, before deciding what action to take, read carefully all the information in this document and in the IAT Prospectus. **Shareholders who are in any doubt as to the contents of this document or the IAT Prospectus or as to the action to be taken should seek their own personal financial advice from their financial adviser authorised under FSMA. Shareholders who are in any doubt as to their tax position or who may be subject to tax in any jurisdiction other than the UK are strongly advised to consult their own professional advisers.**

Yours faithfully

**James Will**  
*Chairman*

## PART 2 – INVESCO ASIA TRUST PLC

**Any investment in Invesco Asia will be governed by the IAT Prospectus. Accordingly, Shareholders should read the IAT Prospectus and, in particular, the risk factors contained therein. The information in this Part 2 has been extracted, without material adjustment, from the IAT Prospectus.**

### Background

Invesco Asia is a closed-ended public limited company incorporated on 19 January 1995 in England and Wales with registered number 03011768. Invesco Asia is an alternative investment fund or “AIF” for the purposes of the UK AIFMD Laws, is registered as an investment company under section 833 of the Companies Act and operates as an investment trust approved by HMRC in accordance with the Corporation Tax Act. The IAT Shares are listed in the closed-ended investment funds category of the Official List and traded on the Main Market.

Invesco Asia’s investment objective is to provide long-term capital growth and income by investing in a diversified portfolio of Asian (ex Japan) and Australasian companies. Invesco Asia’s investment strategy is to identify undervalued companies and invest in those where the manager can see a catalyst for the value to be unlocked. The emphasis is on total return and Invesco Asia aims to achieve growth in its NAV total return in excess of the IAT Benchmark Index, the MSCI AC Asia ex Japan Index (total return, net of withholding tax, in sterling terms).

As at 12 December 2024, Invesco Asia had a Net Asset Value (with debt at fair value) of approximately £251.5 million.

The IAT Board has outsourced the day-to-day investment management, risk management, marketing and administration and company secretarial services of Invesco Asia to Invesco. Invesco Asia has appointed IFML as its alternative investment fund manager. IFML, in its capacity as Invesco’s AIFM, has, in turn, delegated its portfolio management responsibilities and its responsibilities as to administrative and secretarial services to Invesco Asset Management Limited (“**IAML**”).

### Management arrangements

IFML is a private limited company incorporated and registered in England and Wales on 14 February 1967 with registered number 00898166. IAML is a private limited company incorporated and registered in England and Wales on 7 March 1969 with registered number 00949417. Both IFML and IAML are authorised and regulated by the FCA.

IFML is a wholly-owned subsidiary of Invesco UK Ltd which is itself a wholly-owned subsidiary of Invesco Ltd, a global investment management company incorporated in Bermuda with global headquarters in Atlanta, Georgia, USA. Invesco Ltd had assets under management as at 30 September 2024 of US\$1,795.6 billion. It is a widely held public company listed on the New York Stock Exchange and has a significant presence in the retail and institutional markets within the investment management industry in North America, UK, Continental Europe, Middle East and Asia-Pacific.

Following completion of the Proposals, Invesco will remain as the investment manager of the combined entity. Invesco Asia will continue to benefit from the expertise of its co-portfolio managers, Fiona Yang and Ian Hargreaves, and from the depth of resource and experience offered by the wider Asian & Emerging Markets Equities Team. Further details of their experience are set out below.

#### *Fiona Yang, co-portfolio manager*

Fiona was appointed co-portfolio manager of Invesco Asia in January 2022 and lead co-manager in May 2024. Fiona is a fund manager within the Asian & Emerging Market Equities team at Invesco, with a focus on managing Asian equity portfolios. She started her career with Goldman Sachs in July 2012, initially within their graduate programme, and was a China product specialist. She joined Invesco in August 2017. Fiona holds a BSc (Hons) in Mathematics and Economics from the London School of Economics and Political Science.



*Ian Hargreaves, co-portfolio manager*

Ian is co-head of the Asian & Emerging Market Equities team at Invesco, managing and overseeing various Asian and emerging market equity portfolios. Ian was appointed joint portfolio manager in 2011, sole portfolio manager in January 2015 and as the lead co-portfolio manager from January 2022 to May 2024. Ian began his investment career in Hong Kong joining LGT Asset Management in 1994, which was then acquired by Invesco in 1998. He returned to the UK in January 2005 and joined the Asian Equities team. Ian holds a BA (Hons) in Chinese Studies from Durham University and is a CFA charterholder.

## **Invesco Asia's investment objective, policy and investment restrictions**

### ***Investment objective***

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

### ***Investment policy***

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

### ***Investment limits***

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

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

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

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

### ***Borrowing policy***

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

No material change will be made to the investment policy without the prior approval of the FCA and IAT Shareholders by ordinary resolution.

## **Invesco Asia's dividend policy**

If the Proposals are implemented, Invesco Asia will maintain its current policy of paying an annual dividend equal to four per cent. of its NAV; but will increase the frequency of its dividend payments from the current half-yearly basis (two per cent. in each of November and April) to a quarterly basis (four dividends of one per cent. every three months) with payments made in January, April, July and October of each year.

Invesco Asia paid a dividend of 7.80 pence per IAT Share (being two per cent. of the NAV per IAT Share as at 30 September 2024) in November 2024; and intends to pay a dividend of 3.90 pence per IAT Share (being one per cent. of the NAV per IAT Share as at 30 September 2024) in each of January and April 2025. The February 2025 dividend will have a record date falling prior to completion of the Scheme, so that the first dividend to which DGN Shareholders receiving New IAT Shares under the Scheme will be entitled will be the dividend expected to be paid in April 2025. The date by reference to which the four per cent. figure is calculated will also be changed in respect of future financial years, from the last business day in September to the last business day in April of each year.

### **Invesco Asia's investment strategy and process**

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

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

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

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

### **Invesco Asia's ESG policy**

The IAT Board recognises the importance of ESG considerations and considers that Invesco Asia has a responsibility to IAT Shareholders of ensuring high standards of corporate governance are maintained in the companies in which it invests. As an investment company with no employees, property or activities outside investment, environmental policy has limited direct application. In relation to the Invesco Asia portfolio, Invesco Asia has delegated the management of the company's investments to IFML. Further details on Invesco's approach to ESG policy are contained in Part 2 of the IAT Prospectus.

### **Invesco Asia's performance track record**

<b>To 30 November 2024</b>	<b>6M</b>	<b>1Y</b>	<b>3Y</b>	<b>5Y</b>	<b>10Y</b>
NAV Total Return	6.9%	13.8%	9.9%	47.2%	134.8%
Share Price Total Return	11.1%	15.0%	12.2%	51.2%	147.2%
MSCI AC Asia Ex Japan (Index) Total Return	6.4%	15.3%	0.4%	23.1%	84.6%

**Source:** LSEG Data & Analytics. Total return is the theoretical return to shareholders that measures the combined effect of any dividends paid, together with the rise or fall in the share price or NAV. Past performance is not a reliable indicator of future results.

Invesco Asia has a strong performance track record, with index-beating NAV returns over longer time periods, benefiting from the consistent application of a well-defined investment process by an experienced investment team. Recent performance has fallen behind that of the Benchmark Index, in large part due to changes in positioning that reflect the team's valuation discipline.

Over the three-year period to 30 November 2024, Invesco Asia's performance has benefitted from strong stock selection across most markets. Some of the biggest contributors have been from India, but the strong performance of these holdings has seen share prices near or reach the Invesco team's estimate of fair value, leading the portfolio managers to sell. With valuations in India generally expensive, the Invesco team has not yet found new investment opportunities in India with which to replace them, and has therefore been allocating elsewhere. Finally, the Invesco Asia portfolio's avoidance of profitless tech companies was a big positive for relative performance in 2022 given the collapse in valuations as interest rates moved sharply higher.

Over the 12 months to 30 November 2024, whilst returns from Invesco Asia have been strong, they were below that of the IAT Benchmark Index due to shifts in portfolio positioning away from past performers such as India. Also, returns from South Korea, Indonesia and Hong Kong/China, markets in which the Invesco Asia portfolio has overweight positions, have lagged the broader market. Similarly, an underweight position in Taiwan detracted as this market outperformed, although the positive impact of stock selection more than offset the negative impact of the allocation effect. Key contributors include TSMC, SK Hynix and ASEAN internet group Sea Ltd and in terms of sectors, there have been strong contributions from holdings in tech and communications services sectors.

Elsewhere, stock selection in Hong Kong/China and Korea was disappointing. Exposure to selected consumer and property-related stocks in China have struggled, reflecting the challenging macro backdrop and downbeat sentiment up until the gradual unveiling of a stimulus package. However, there have been offsetting contributions from Chinese companies which have managed to demonstrate an improvement in fundamentals and shareholder return policies, such as Tencent and JD.com. Finally, in the tech sector although holdings such as TSMC and SK Hynix have benefited from strong AI-related demand, an overweight position in Samsung Electronics has detracted given concerns over the strength of its competitive position in leading-edge chip manufacturing.

The Invesco team's investment horizon is three to five years, and decisions can take time to bear fruit. The discipline of an investment style with a tilt toward value is more obvious during inflection points. During normal conditions it is the amalgamation of the Invesco team's investment decisions that drive alpha, rather than a set of market conditions.

### **Invesco Asia portfolio summary**

As at 16 December 2024, the Invesco Asia portfolio comprised 57 investments, with an aggregate unaudited value of approximately £261 million. The information in this section, which has not been audited, has been sourced from information supplied by IAML.

As at 16 December 2024, the Company's top 12 investments, representing over 50 per cent. of the value of the Invesco Asia portfolio, were as follows:

<b>Security description</b>	<b>Percentage of value of total Portfolio (%)</b>
Taiwan Semiconductor Manufacturing	10
Tencent – R	7.5
HDFC Bank	5.4
Samsung Electronics	5.4
AIA	3.7
Kasikornbank – F	3.5
NetEase – R	3.0
Alibaba – R	2.8
United Overseas Bank	2.5
Shriram Transport Finance	2.4
Anglo American	2.2
Sands China	2.1
	<b>50.5</b>

As at 16 December 2024, the breakdown of the Invesco Asia portfolio by country was as follows:

<b>Country</b>	<b>Percentage of value of total Portfolio (%)</b>
China	27.4
Taiwan	15.1
South Korea	11.8
India	11.3
Hong Kong	11.3
Singapore	6.0
Indonesia	5.6
Thailand	3.5
Australia	2.5
United Kingdom	2.2
Vietnam	2.0
Ireland	1.3
	<b>100.0</b>

As at 16 December 2024, the breakdown of the Invesco Asia portfolio by sector was as follows:

Sector	Percentage of value of total Portfolio (%)
Financials	25.8
Information Technology	20.8
Communication Services	14.2
Consumer Discretionary	11.2
Industrials	8.1
Consumer Staples	7.9
Materials	5.3
Real Estate	2.7
Utilities	2.3
Health Care	0.9
Energy	0.8
	<b>100.0</b>

IFML and IAML expect that the composition of the Invesco Asia portfolio following the successful completion of the Scheme will be substantially similar to the Invesco Asia portfolio as disclosed in this document and the IAT Prospectus.

#### Periodic Unconditional Tender Offers

Invesco Asia currently has in place a triennial continuation vote, with the next continuation resolution scheduled for September 2025 and a five-yearly performance-related conditional tender offer pursuant to which Invesco Asia would undertake a tender offer for up to 25 per cent. of Invesco Asia's issued share capital at a discount of two per cent. to the prevailing NAV per share (after deduction of tender costs) in the event that Invesco Asia's NAV cum-income total return performance over the five-year period to 30 April 2025 failed to exceed the MSCI AC Asia ex Japan Index (net of withholding tax, total return in sterling terms) by 0.5 per cent. per annum over the five years on a cumulative basis.

Subject to the completion of the Scheme, Invesco Asia intends to introduce a policy of triennial unconditional tender offers for up to 100 per cent, of the issued share capital of Invesco Asia at a four per cent. discount to prevailing NAV (debt at fair value, cum income) ("**Unconditional Tender Offers**"), with the first Unconditional Tender Offer expected to be put forward to IAT Shareholders by no later than the date of announcement of its final results for the financial year ended 30 April 2028. If any Unconditional Tender Offer were to result in the net asset value of Invesco Asia falling below any minimum size condition established by the IAT Board in connection with that Unconditional Tender Offer, the IAT Board would consult with major shareholders on the future of Invesco Asia and, if appropriate, put forward proposals for a strategic review of the options for Invesco Asia's future and/or for Invesco Asia's reconstruction, reorganisation or winding up.

The periodic Unconditional Tender Offers are intended to replace the triennial continuation vote and the performance-related conditional tender offer, and the IAT Directors are proposing a special resolution at the IAT General Meeting to amend the IAT Articles to, among other things, remove the existing continuation vote from the IAT Articles. The introduction of the Unconditional Tender Offers to replace both the existing triennial continuation vote and the conditional tender offer is conditional on the passing of this special resolution and on the Scheme becoming unconditional in all respects. If IAT shareholders do not pass the special resolution amending the IAT Articles but they do approve the Scheme, the Scheme will be implemented but IAT will not introduce the periodic Unconditional Tender Offers and instead continue with the status quo, being the triennial continuation vote and the performance-related conditional tender offer.

### **Discount management policy**

Invesco Asia has a stated average discount target of less than ten per cent. of NAV (calculated on a cum-income basis) over each financial year, although the IAT Directors are cognisant of the fact that Invesco Asia's share rating at any particular time will reflect a combination of various factors, a number of which are beyond the IAT Board's control. Share buybacks are undertaken where and when the IAT Board considers that such buybacks will be effective, taking into account market factors and the discounts of comparable investment companies, and having regard to the greater latitude afforded to Invesco Asia with its increased size following implementation of the Proposals.

### **Management fees and ongoing expenses**

The existing annual management fee payable by Invesco Asia to IFML is calculated on a tiered basis by reference to the Net Asset Value, as follows:

- 0.75 per cent. on the first £250 million of the Net Asset Value; and
- 0.65 per cent. on the Net Asset Value in excess of £250 million.

The assets for this purpose exclude the value of any investments in other funds managed by IFML. The management fee is calculated and paid quarterly in arrears.

With effect from the Effective Date, and conditional on the Scheme becoming effective, the Invesco Asia investment management agreement will be amended such that the existing management fee will be replaced by a new reduced fee as follows:

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

IFML also receives a separate fee for company secretarial and administrative services which for the year ended 30 April 2024 amounted to £119,000. With effect from the Effective Date, and conditional on the Scheme becoming effective, the fee for company secretarial and administrative services payable by Invesco Asia to IFML will be increased to £200,000 per annum (plus VAT and indexed to the Retail Prices Index with effect from 1 May in each year, the first such indexation to take place on 1 May 2025).

IFML has agreed to make a contribution to the costs of the Scheme by means of a reduction in the management fee payable by Invesco Asia to IFML. The fee reduction will constitute a waiver of the management fee that would otherwise be payable to IFML in respect of the assets transferred by Asia Dragon to Invesco Asia pursuant to the Scheme for the first nine months following the completion of the Scheme (the "**Invesco Contribution**"). The financial value of this amount (which is estimated at £2.26 million based on Invesco Asia's NAV as at 12 December 2024, assuming there are no Dissenting Shareholders and that the Cash Option is taken up in full) will be satisfied by IFML by means of a waiver of its fees for the benefit of the shareholders of the enlarged Invesco Asia. The Invesco Contribution will be applied initially for the benefit of Invesco Asia to meet its Direct Transaction Costs, with the balance being for the benefit of the shareholders of the enlarged Invesco Asia following implementation of the Scheme. In the event that the Invesco Asia investment management agreement between IFML and Invesco Asia is terminated by Invesco Asia (other than for cause) during the three-year period following the Effective Date, Invesco Asia will be obliged to repay all or part of the Invesco Contribution, depending on the date of termination and with the repayment obligation reducing by one-third on each anniversary of the Effective Date.

### **Invesco Asia Board**

The IAT Directors as at the date of this document are as follows:

#### ***Neil Rogan (Invesco Asia Chairman)***

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



### ***Vanessa Donegan***

Vanessa Donegan was appointed as a director of Invesco Asia on 17 October 2019. Vanessa is the Senior Independent Director of Fidelity China Special Situations plc and of JPMorgan Indian Investment Trust plc, and a non-executive Director of Herald Investment Management Ltd and of State Street Global Advisors Luxembourg SICAV. She has over 37 years of fund management experience investing institutional and retail portfolios in Asian stock markets, including single country China and India funds. She was Head of the Asia Pacific desk at Threadneedle Investments and then Head of Asia Pacific Equities, EMEA region at Columbia Threadneedle for a combined total of 21 years. She has extensive experience of marketing funds to retail and institutional clients across the globe.

### ***Myriam Madden***

Myriam Madden was appointed as a director of Invesco Asia on 4 November 2021. Myriam is a non-executive Director of the Office of Gas and Electricity Markets (Ofgem) and The Golden Charter Trust Ltd. She is also an advisory board member of the business school of University College Cork. She has operated at board level across a range of regulated sectors, following a successful international and multi-sectoral career as a finance executive leading transformation programmes. A qualified chartered management accountant, Myriam was a board member of the International Ethics Standards Board for Accountants, the International Federation of Accountants and the American Institute of Certified Public Accountants. She was also global President and Chairman of CIMA and was included in the 2018 Cranfield University's 100 Women to Watch.

### ***Sonya Rogerson***

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

### ***Following implementation of the Scheme***

Upon the Scheme becoming effective, James Will, Matthew Dobbs, Susan Sternglass Noble and Nicole Yuen, Directors of the Company, will each join the IAT Board as a non-executive director. The board of the enlarged Invesco Asia will therefore comprise eight directors immediately following implementation of the Scheme, comprising all four directors from the current IAT Board and four directors from the Board of the Company. It is intended that over the medium-term, the number of directors on the enlarged IAT Board will reduce to six individuals.

### **General**

Further details of Invesco Asia and the New IAT Shares are set out in the IAT Prospectus. **Shareholders are strongly recommended to read the IAT Prospectus before making an Election.**

## **PART 3 – FURTHER DETAILS OF THE PROPOSALS**

### **Implementation of the Scheme**

Subject to the passing of the Resolutions (and the satisfaction of the other conditions of the Scheme, full details of which are set out in paragraph 14 of Part 4 of this document), the Company will be placed into members' voluntary liquidation and the Scheme will take effect from the Effective Date.

On the Calculation Date the Board will appropriate to the Liquidation Pool such of the cash, undertaking and other assets of the Company estimated by the Board, in consultation with the Liquidators, to be sufficient to meet the outstanding current and future liabilities, including contingent liabilities, of the Company, including the costs of the Scheme, the Liquidators' Retention and the entitlements of any Dissenting Shareholders. Further details of the Liquidation Pool are set out in paragraph 3.2 of Part 4 of this document.

The balance of the cash, undertaking and other assets of the Company will be allocated to the Cash Pool and the Rollover Pool, each of which will represent the respective entitlements of Shareholders to either New IAT Shares or cash in accordance with the Elections made, or deemed to have been made, under the Scheme, as further described below.

On the Effective Date, the cash, undertaking and other assets of the Company comprising the Rollover Pool will be transferred to Invesco Asia. In consideration for the transfer of the Rollover Pool to Invesco Asia under the Transfer Agreement, the relevant numbers of New IAT Shares will be allotted to the Liquidators who will renounce the New IAT Shares in favour of the DGN Shareholders who are deemed to have elected for the Rollover Option and entitled to be issued such New IAT Shares under the Scheme.

Shortly following the Effective Date, Cash Entitlements payable to Shareholders who have validly elected, or are deemed to have elected, for the Cash Option will be distributed by the Liquidators, through Equiniti and pursuant to the Scheme, in cash to each Shareholder who has elected for the Cash Option in proportion to its respective holding of Reclassified Shares with "B" rights which shall be equal to such Shareholder's entitlement to the net realisation proceeds of the Cash Pool pursuant to the Scheme and rounded down to the nearest penny.

To the extent that any part of the Liquidation Pool, including the Liquidators' Retention, is not subsequently required to discharge the Company's liabilities and remains at the conclusion of the Company's liquidation, it will be distributed in cash to the Shareholders on the Register on the Effective Date (excluding Dissenting Shareholders). If, however, any such amount payable to any Shareholder is less than £5.00, it will not be paid to the Shareholders but instead will be paid by the Liquidators to the Nominated Charity.

### **Transfer Agreement**

If the Proposals become effective, the Liquidators (in their personal capacity and on behalf of the Company) will enter into the Transfer Agreement with the Company and Invesco Asia on or around the Effective Date pursuant to which the Rollover Pool will be transferred to Invesco Asia in consideration for the issue of New IAT Shares to the holders of Reclassified Shares with "A" rights on the basis described in Part 4 of this document. Each of the parties to the Transfer Agreement has agreed and undertaken to the others that, so far as may be within its respective power, it will take all such reasonable steps as may be necessary or desirable to implement the Scheme.

### **Elections**

#### ***Ordinary Shares held in uncertificated form (that is, in CREST)***

If you hold your Ordinary Shares in uncertificated form and wish to elect for the Cash Option in respect of all or some of your Ordinary Shares, you should take (or procure to be taken) the action set out below to transfer to escrow (by means of a TTE Instruction) the number of Ordinary Shares in respect of which you wish to make an Election for the Cash Option, specifying the Receiving Agent in its capacity as a CREST receiving agent under its participant ID (referred to below) as the escrow agent, as soon as possible and, in any event, so that the TTE Instruction is received no later than 1.00 p.m. on 5 February 2025.

If you hold Ordinary Shares in CREST but under different member account IDs, you should submit a separate TTE Instruction in respect of each member account ID.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your participant ID and the member account ID under which your Ordinary Shares are held. In addition, only your CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to your Ordinary Shares.

To make an Election for the Cash Option you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear, which must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and which must contain, in addition to the other information that is required for the TTE Instruction to settle in CREST, the following details:

- the ISIN number for the Ordinary Shares. This is GB0002945029;
- the number of Ordinary Shares in relation to the relevant Election;
- your member account ID;
- your participant ID;
- the member account ID of the escrow agent, the Receiving Agent. This is: 5RA18;
- the participant ID of the escrow agent, the Receiving Agent, in its capacity as a CREST receiving agent. This is: RA688001;
- the Corporate Action Number for the Scheme. This is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- the intended settlement date for the transfer to escrow. This should be as soon as possible after receipt of your Election and, in any event, by no later than 1.00 p.m. on 5 February 2025;
- the standard delivery instruction with Priority 80; and
- contact name and telephone number inserted in the shared note field.

After settlement of the TTE Instruction, you will not be able to access the Ordinary Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by the Receiving Agent as your escrow agent until completion or lapsing of the Scheme.

You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined above.

You should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your Ordinary Shares to settle prior to 1.00 p.m. on 5 February 2025. In connection with this, you are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

### ***Ordinary Shares held in certificated form***

Shareholders who hold their Ordinary Shares in certificated form (i.e. not in CREST) who wish to make an Election for the Cash Option in respect of all or part of their holding of Ordinary Shares should complete and sign the enclosed personalised Form of Election inserting in Box 2 either "ALL" or the total number of Ordinary Shares they wish to elect for the Cash Option and return the Form of Election using the relevant enclosed reply-paid envelope to the Receiving Agent by post to Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA as soon as possible and, in any event, so as to be received by no later than 1.00 p.m. on 5 February 2025. Forms of Election, once submitted, will be irrevocable and may not be withdrawn or amended without the consent of the Directors.

If you hold Ordinary Shares in certificated form, but under different designations, you should complete a separate Form of Election in respect of each designation (as applicable). If you hold Ordinary Shares in both certificated and uncertificated form, you should complete a Form of Election or a TTE Instruction for each holding (as applicable).

Shareholders who have any queries in relation to making an Election should contact the Receiving Agent on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 8.30 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that the Receiving Agent cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

### **Settlement and dealings in New IAT Shares**

Applications will be made by Invesco Asia to the Financial Conduct Authority for the New IAT Shares to be admitted to listing on the closed-ended investment funds category of the Official List and to the London Stock Exchange for such New IAT Shares to be admitted to trading on the Main Market. If the Scheme becomes effective, it is expected that the New IAT Shares will be admitted to the Official List and that the first day of dealings in such securities will be 14 February 2025.

New IAT Shares will be issued in registered form and may be held in either certificated or uncertificated form. Shareholders who held their Ordinary Shares in certificated form at the Record Date and who are deemed to have elected for New IAT Shares will receive their New IAT Shares in certificated form. It is expected that share certificates in respect of such New IAT Shares will be despatched to the Shareholders entitled thereto no later than 10 Business Days from the Effective Date. For security reasons, Shareholders who are recorded in the books of the Registrar as “gone away” (i.e. Shareholders to whom the Company has sent two consecutive notice of meetings or other documents over a period of at least 12 months, and each of these documents is returned undelivered) will not have their share certificate issued until they contact the Registrar.

Shareholders who held their Ordinary Shares in uncertificated form at the Record Date and who are deemed to have elected for New IAT Shares will receive their New IAT Shares in uncertificated form on 14 February 2025; although, Invesco Asia reserves the right to issue such securities in certificated form. In normal circumstances, this right is only likely to be exercised in the event of an interruption, failure or breakdown of CREST or of the facilities or system operated by Invesco Asia's registrar in connection with CREST. Invesco Asia will procure that instructions are given to credit the appropriate stock accounts in the CREST system with the relevant entitlements to New IAT Shares in uncertificated form.

Fractional entitlements to New IAT Shares pursuant to the Scheme will not be issued under the Proposals and entitlements will be rounded down to the nearest whole number. No cash payment shall be made or returned in respect of any fractional entitlements which will be retained for the benefit of Invesco Asia.

Cheques in respect of the cash amounts due to Shareholders who validly elect, or are deemed to elect, for the Cash Option are expected to be despatched to them by no later than 10 Business Days from the Effective Date. It is expected that Shareholders who hold their Ordinary Shares in CREST will receive their Cash Entitlements through CREST by no later than 10 Business Days from the Effective Date.

### ***Share certificates***

Existing certificates in respect of Ordinary Shares will cease to be of tradable value following suspension of dealings in the Ordinary Shares.

### ***General***

All documents and remittances despatched to or from Shareholders or their appointed agents in connection with the Proposals will be despatched at Shareholders' own risk.

## Overseas Shareholders

The issue of New IAT Shares to persons resident in, or citizens of, jurisdictions outside the UK may be affected by the laws of the relevant jurisdiction. Such Shareholders should inform themselves about and observe any legal requirements in the relevant jurisdiction. In particular:

- the New IAT Shares have not been and will not be registered under the US Securities Act and the New IAT Shares may not be offered, sold, pledged or otherwise transferred within the United States, or to or for the benefit of US Persons, except pursuant to an exemption from the registration requirements of the US Securities Act and the relevant clearances have not been, and will not be, obtained from the securities commission of any member state of the European Economic Area, any province of Canada, Australia, Japan, New Zealand or the Republic of South Africa;
- there has not been any, and there will be no, public offer of the New IAT Shares in the United States;
- Invesco Asia is not, and does not intend to be, registered under the US Investment Company Act, and investors are not, and will not be, entitled to the benefits of the US Investment Company Act; and
- no offer is being made, directly or indirectly, under the Scheme, in or into by the use of mails, or by means of instrumentality (including, without limitation, facsimile, transmission, telex or telephone) of interstate or foreign commerce, or of any facility in a national securities exchange (subject to certain exceptions described herein), any member state of the European Economic Area, Australia, Canada, Japan, New Zealand or the Republic of South Africa.

It is the responsibility of Shareholders with registered addresses outside the UK to satisfy themselves as to the observance of the laws of the relevant jurisdiction in connection with the issue of New IAT Shares, including the obtaining of any governmental or exchange control or other consents which may be required, the compliance with any other necessary formalities which need to be observed and the payment of any issue, transfer or other taxes or duties due in such jurisdiction. Shareholders who are subject to taxation outside the UK should consult their own professional advisers as soon as possible.

Non-US Shareholders are deemed to represent to the Company and Invesco Asia that they are located outside of the United States and are not US Persons (and are not acting for the account or benefit of a US Person).

An Overseas Shareholder (being a Shareholder who has a registered address outside, or who is resident in, or a citizen, resident or national of, a jurisdiction outside, the United Kingdom, the Channel Islands and the Isle of Man) will not be entitled to receive New IAT Shares under the Scheme unless they have provided evidence, to the reasonable satisfaction of the Company, Invesco Asia and the Liquidators (taking appropriate advice), that they are permitted to hold New IAT Shares under any relevant securities laws or regulations of the relevant jurisdiction and that Invesco Asia will not be subject to any additional regulatory requirements to which it would not be subject but for such issue.

Overseas Shareholders who wish to receive New IAT Shares under the Scheme should therefore contact the Company directly as soon as possible and, in any event, by no later than 5.00 p.m. on 31 January 2025 if they are able to demonstrate, to the satisfaction of the Directors, the IAT Directors and the Liquidators (taking appropriate advice), that they can be issued New IAT Shares without breaching any relevant securities laws.

**If an Overseas Shareholder does not contact the Company and provide the required evidence as noted above, such Overseas Shareholder will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Shares. Such deemed elections will be subject to scaling back in accordance with paragraph 2.1 of Part 4 of this document.** To the extent that an Overseas Shareholder is due to receive New IAT Shares under the Scheme (i.e. to the extent that the Overseas Shareholder's deemed election for the Cash Option is scaled back), then such New IAT Shares will instead be issued to the Liquidators as nominees for the relevant Overseas Shareholder and sold by the Liquidators in the market, with the net proceeds paid to the relevant Overseas Shareholder in accordance with paragraph 15 of Part 4 of this document.



Overseas Shareholders will not receive an IAT Prospectus unless they have satisfied the Directors and the IAT Directors that they are entitled to receive and hold New IAT Shares without breaching any relevant securities laws and without the need for compliance on the part of the Company or Invesco Asia with any overseas laws, regulations, filing requirements or the equivalent.

### **US Shareholders**

The New IAT Shares are being offered and sold solely (i) outside the United States to persons who are not US Persons in “offshore transactions” as defined in and pursuant to Regulation S under the US Securities Act; and (ii) within the United States to persons that are, or to US Persons that are, both “qualified institutional buyers” as defined in Rule 144A under the US Securities Act and “qualified purchasers” as defined in Section 2(a)(51) of the US Investment Company Act pursuant to an exemption from the registration requirements of the US Securities Act, and that, in the case of (ii), have executed a US Investor Representation Letter and returned it to the addressees.

There are significant restrictions on the purchase and resale of the New IAT Shares by persons that are located in the United States, that are US Persons, or who hold New IAT Shares for the account or benefit of US Persons and on the resale of New IAT Shares to any person located in the United States or to, or for the account or benefit of, a US Person. If in the future a US Shareholder, decides to offer, sell, transfer, assign or otherwise dispose of the New IAT Shares, they may do so only: (i) outside the United States in an “offshore transaction” complying with the provisions of Regulation S under the US Securities Act to a person not known by the transferor to be a US Person, by pre-arrangement or otherwise; or (ii) to Invesco Asia or a subsidiary thereof.

The Scheme is being implemented subject to United Kingdom disclosure requirements, which are different from certain United States disclosure requirements. In addition, US Shareholders should be aware that this document has been prepared in accordance with a UK format and style, which differs from the US format and style. In particular, parts of this document contain information concerning the Scheme required by UK disclosure requirements which may be material and may not have been summarised elsewhere in this document. Furthermore, the Scheme will be subject to other procedural requirements, including with respect to withdrawal rights, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.

IAT Shares are not listed on a US securities exchange and Invesco Asia is not subject to the periodic reporting requirements of the US Exchange Act and is not required to, and does not, file any reports with the US Securities and Exchange Commission thereunder (the “SEC”). The Scheme is not subject to the disclosure and other procedural requirements of Regulation 14D under the Exchange Act.

The Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each US Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of making a decision regarding the Scheme.

It may be difficult for US Shareholders to enforce their rights and any claim arising out of the US federal securities laws, since Invesco Asia is located in a foreign country, and all of its current officers and directors (and a majority of the Proposed Directors) are citizens and residents of a foreign country. US Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the US securities laws. Further, it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court’s judgement.

Whether located in the United States or elsewhere, US Shareholders will receive any cash consideration in pounds sterling.

Any US Shareholder receiving this document is requested to execute the US Investor Representation Letter annexed to the IAT Prospectus and return it to the addressees. If a US Shareholder does not execute and return a US Investor Representation Letter, to the extent that such US Shareholder is due to receive New IAT Shares under the Scheme (i.e. to the extent that the US Shareholder’s deemed election for the Cash Option is scaled back), then such New IAT Shares will instead be issued to the Liquidators as nominees for the relevant US Shareholder and sold by the Liquidators in the market, with the net proceeds paid to the relevant US Shareholder in accordance with paragraph 15 of Part 4 of this document. US Shareholders who have any questions regarding the submission of the US Investor Representation Letter may call



Invesco Asia's Receiving Agent, Link Group, on +44 (0)371 664 0321; calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. until 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Link Group cannot give any advice on how US Shareholders should complete the US Investor Representation Letter.

### **Dissenting Shareholders**

Provided that a Shareholder does not vote in favour of the Resolutions to be proposed at the First General Meeting, such Shareholder may within seven days following the First General Meeting, express their dissent to the Liquidators in writing at the registered office of the Company and require the Liquidators to purchase the Shareholder's interest in the Company. The Liquidators will offer to purchase the interests of the Dissenting Shareholders at the realisation value, this being an estimate of the amount a Shareholder would receive per Ordinary Share in an ordinary winding up of the Company if all of the assets of the Company had to be realised and distributed to Shareholders after repayment of the liabilities of the Company. The realisation value of an Ordinary Share is expected to be below the unaudited cum-income NAV per Ordinary Share and the Liquidators will not purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled.

In order to purchase the interests of any Dissenting Shareholders, the Board, in consultation with the Liquidators, will appropriate an amount of the cash, undertaking and other assets of the Company to the Liquidation Pool which it believes is sufficient to purchase the interests of such Dissenting Shareholders. Save as otherwise provided, any Ordinary Shares held by persons who validly exercise their rights under section 111(2) of the Insolvency Act shall be disregarded for the purposes of the Scheme and shall be treated as if those Ordinary Shares were not in issue.

If Dissenting Shareholders validly exercise their rights under section 111 of the Insolvency Act in respect of more than five per cent. of, in aggregate, the issued Ordinary Share capital of the Company, this is one circumstance in which the Directors may exercise their discretion under the Scheme to decide that the Scheme should not proceed.

### **Common Reporting Standard**

Investment trusts are required to report the tax residence of their shareholders. Subject to the Scheme becoming effective, those Shareholders of the Company that are not already on the register of members of Invesco Asia and who hold their New IAT Shares in certificated form will be sent a document along with their new share certificate in respect of their New IAT Shares which those Shareholders should complete and return to Invesco Asia's registrar.

### **Taxation**

**The information set out below relates to UK taxation applicable to the Company and its Shareholders who are resident in the UK for tax purposes and who hold Ordinary Shares as an investment (this information may not relate to certain categories of Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their Ordinary Shares in connection with their employment who may be taxed differently). The information is based on existing UK taxation law and HMRC published practice in force as at the date of this document and is, therefore, subject to any subsequent changes (possibly with retrospective effect). The information is given by way of general summary only and does not constitute legal or tax advice to any person.**

**If you are in any doubt about your tax position or if you may be subject to tax in a jurisdiction other than the UK, you should consult your professional advisers.**

### ***The Company***

The Company has obtained approval from HMRC as satisfying the conditions for approval as an investment trust under section 1158 of the Corporation Tax Act and Chapter 1 of Part 2 of The Investment Trust (Approved Company) (Tax) Regulations 2011.

The Proposals should not prejudice the ability of the Company to retain its investment trust status in respect of the accounting period that ended on 31 August 2024 and in respect of the current accounting period, which will end on the day immediately preceding the Effective Date if the

Company is placed into members' voluntary liquidation. Furthermore, the proposed method of winding up the Company and the scheme of reconstruction is such that the Company should remain eligible to be treated as an investment trust for the accounting period which includes the date on which its assets are sold and/or transferred by the Liquidators pursuant to the Transfer Agreement under sections 15 and 16 of The Investment Trust (Approved Company) (Tax) Regulations 2011. Accordingly, the transfer of the Company's assets in the Rollover Pool and the realisation of the Company's assets in the Cash Pool and the Liquidation Pool under the Scheme should not give rise to a liability to UK taxation of chargeable gains for the Company. However, there can be no absolute assurance that investment trust status will be preserved and the absence of such status in any accounting period would mean the Company would be liable to pay UK taxation on its net capital gains in that period.

## ***Shareholders***

### ***Reclassified Shares***

For the purposes of UK taxation of chargeable gains, a Shareholder should not be regarded as having disposed of their Ordinary Shares on their reclassification into Shares with "A" rights or Shares with "B" rights (as relevant). Instead, the Shareholder should be regarded as having acquired the Reclassified Shares at the same time and for the same aggregate base cost as their original holding of Ordinary Shares.

Where a Shareholder's Ordinary Shares are reclassified into both Shares with "A" rights and Shares with "B" rights, the Shareholder's base cost in their original holding of Ordinary Shares will be apportioned by reference to the respective market values of the Shares with "A" rights and Shares with "B" rights received, as at the time the Reclassified Shares are first listed.

### ***Cash Option***

Shareholders who receive cash under the Scheme pursuant to the Cash Option will be regarded as having made a disposal of their Reclassified Shares with "B" rights on the distribution of cash by the Liquidators and may be subject to UK taxation of chargeable gains depending on the particular circumstances of the Reclassified Shareholder concerned.

### ***Rollover Option***

The Company has been advised that the exchange of Shares with "A" rights for New IAT Shares pursuant to the Rollover Option should constitute a scheme of reconstruction for the purposes of the UK taxation of chargeable gains, and that such exchange should not constitute a disposal of the Shares with "A" rights for the purposes of the UK taxation of chargeable gains. Instead, the New IAT Shares issued pursuant to the Rollover Option should be treated as replacing the Shares with "A" rights for which they were exchanged and should be treated as having been acquired at the same time and for the same base cost as those Shares with "A" rights are treated as having been acquired.

Any subsequent disposal of the New IAT Shares may result in the holder of those New IAT Shares realising a chargeable gain or allowable loss for the purposes of UK taxation of chargeable gains, depending on the holder's particular circumstances.

### ***Liquidation Pool surplus***

As provided for in paragraph 9 of Part 4 of this document, any remaining balance in the Liquidation Pool after the discharge of the Company's liabilities will be distributed in cash to the Shareholders on the Register on the Effective Date, excluding any Dissenting Shareholders. The effect of receipt of any such payment by a Shareholder will depend on whether the payment is in respect of Shares with "A" rights or Shares with "B" rights.

The receipt of any such payment by a Shareholder in respect of their Shares with "A" rights should not be regarded as giving rise to any chargeable disposal for the purposes of UK capital gains tax in respect of a Shareholder who is an individual, or UK corporation tax in respect of a Shareholder who is a corporation, provided that the tax base cost of their Ordinary Shares is in excess of the distribution and the aggregate amount of any such payments received by the Shareholder does not exceed whichever is the greater of: (i) £3,000; and (ii) five per cent. of the value of their Ordinary Shares on the date the Company enters members' voluntary winding up. Instead, the amount of any such payment or payments will be deducted from the base cost of the New IAT Shares issued to

the Shareholder under the Scheme and should be taken into account in the determination of the extent to which a capital gain or allowable capital loss is realised on any subsequent disposal of those New IAT Shares.

The receipt of any such payment by a Shareholder in respect of their Shares with “B” rights will be treated as a further disposal by that Shareholder of those Shares with “B” rights which may, depending on that Shareholder’s particular circumstances, give rise to a chargeable gain for the purposes of UK taxation of chargeable gains.

#### ***HMRC Clearance***

Shareholders are advised that a clearance has been obtained from HMRC pursuant to section 138 of the TCGA confirming that the treatment described above under the heading “*Rollover Option*” is not to be prevented, by virtue of section 137(1) of TCGA, from applying to them. HMRC has also confirmed that no counteraction notice under section 698 of the Income Tax Act or section 746 of Corporation Tax Act should be served in respect of the transaction.

#### ***Dissenting Shareholders***

If the Liquidators exercised their discretion to purchase the Ordinary Shares of a Dissenting Shareholder, the purchase price paid for their Ordinary Shares will not exceed that which the Dissenting Shareholder would receive on a straightforward winding up of the Company. A Dissenting Shareholder who receives such a cash payment will be treated as disposing of the relevant Ordinary Shares and may, depending on that Shareholder’s particular circumstances, realise a chargeable gain or allowable capital loss for the purposes of UK taxation of chargeable gains.

#### ***ISAs and SIPPs***

New IAT Shares are eligible for inclusion in an ISA or SIPP. Accordingly, where Ordinary Shares currently held within an ISA or SIPP are exchanged for New IAT Shares pursuant to the Rollover Option, those New IAT Shares can generally be retained within the ISA or SIPP, subject to the specific terms applicable to the ISA or SIPP.

Notwithstanding the above, Shareholders are strongly recommended to consult their own ISA or SIPP provider in advance of the appointment of the Liquidators so as to ensure that any action which may be necessary in relation to their shareholding can be taken in good time as well as consulting their own appropriate professional adviser in relation to the tax implications of any action undertaken.

#### ***UK Stamp Duty and UK SDRT***

It is not expected that any UK stamp duty or UK SDRT will be payable by the Company or the Shareholders in relation to the liquidation of the Company, or on the receipt by Shareholders of New IAT Shares under the Rollover Option.

#### ***General***

All documents and remittances despatched to or from Shareholders or their appointed agents in connection with the Proposals will be despatched at Shareholders’ own risk.

## PART 4 – THE SCHEME

### 1. DEFINITIONS AND INTERPRETATION

Words and expressions defined on pages 48 to 55 of this document have the same meanings when used in this Scheme. Save as otherwise provided in this Part 4, any Shares held by persons who validly exercise their rights to dissent from the Scheme under section 111(2) of the Insolvency Act shall be disregarded for the purposes of this Part 4 and shall be treated as if those Shares were not in issue.

### 2. ELECTIONS AND ENTITLEMENTS UNDER THE SCHEME

- 2.1. The maximum number of Shares that can be elected for the Cash Option is 25 per cent. of the total number of Shares (excluding Shares held in treasury) in issue as at the Calculation Date (the “**Maximum Cash Option Shares**”). Shareholders are entitled to elect for the Cash Option in respect of more than 25 per cent. of their individual holdings of Shares (the “**Basic Entitlement**”), such excess amount being an “**Excess Application**”. In the event that aggregate Elections are made for the Cash Option which exceed 25 per cent. of the issued Shares (excluding Shares held in treasury) as at the Calculation Date, Shareholders who have made an Election in excess of their Basic Entitlement will have their Excess Applications scaled back in a manner which is, as near as practicable, *pari passu* and *pro rata* among all Shareholders who have made such Excess Applications such that the aggregate number of Shares so elected will equal the Maximum Cash Option Shares. Shareholders will be deemed to have made an Election for the Rollover Option in respect of any Shares held by them in respect of which their Excess Applications are scaled back.
- 2.2. Subject to Resolution 1 contained in the Notice of the First General Meeting being passed and becoming unconditional:
  - 2.2.1. the Shares in respect of which the holders have made, or are deemed to have made (including as a result of scaling back any Excess Applications in accordance with paragraph 2.1 in this Part 4) valid Elections for the Rollover Option will be reclassified as Shares with “A” rights;
  - 2.2.2. the Shares in respect of which the holders have made, or are deemed to have made (after scaling back any Excess Applications in accordance with paragraph 2.1 in this Part 4), valid Elections for the Cash Option will be reclassified as Shares with “B” rights.
- 2.3. The rights of the Shares following the passing of the Resolutions contained in the Notice of the First General Meeting will be the rights as set out in new Article 5A, which is to be inserted into the Articles pursuant to Resolution 1 contained in the Notice of the First General Meeting, and references to Shareholders will be construed accordingly.
- 2.4. In advance of the Effective Date, the Company will have, to the extent practicable, realised or realigned the assets, undertaking and business carried on by the Company in accordance with the Scheme and the Elections made, or deemed to have been made, thereunder so that, so far as practicable, the Company will hold, in addition to assets destined to become the Cash Pool and the Liquidation Pool, investments suitable for transfer to Invesco Asia, by virtue of the Transfer Agreement.
- 2.5. Holders of Reclassified Shares with “B” rights will receive the Cash NAV per Share multiplied by the total number of Reclassified Shares with “B” rights held by them and rounded down to the nearest penny.
- 2.6. Holders of Reclassified Shares with “A” rights will receive such number of New IAT Shares as is calculated pursuant to paragraph 8.1 of this Part 4.

### 3. APPORTIONMENT OF THE COMPANY’S TOTAL ASSETS

- 3.1. Subject to the Resolutions contained in the Notice of the First General Meeting being passed at such meeting and Resolution 1 becoming unconditional, on the Calculation Date, or as soon as possible thereafter, the Board, in consultation with the proposed Liquidators, will calculate the aggregate value of the total assets of the Company, the Residual Net Asset Value and the

Residual Net Asset Value per Share, the DGN FAV per Share, the Cash Pool NAV and the Cash NAV per Share in accordance with paragraph 4 below.

- 3.2. On the Calculation Date, or as soon as practicable thereafter, the Company in consultation with the proposed Liquidators will procure the finalising of the division of the Company's undertaking, cash and other assets into three separate and distinct pools: namely, the Liquidation Pool, the Cash Pool and the Rollover Pool, as follows and in the following order:

3.2.1. first, there will be appropriated to the Liquidation Pool cash and other assets of the Company (including, without limitation, the right to receive any and all interest, but not dividends, due but not paid to the Company by the Calculation Date) which the Liquidators may call in, realise and convert into cash as they consider necessary, of a value calculated in accordance with paragraph 4.1 of this Part 4 and estimated by the Liquidators to be sufficient to meet the current and future, actual and contingent liabilities of the Company, including, without prejudice to the generality of the foregoing (and save to the extent that the same have already been paid or already deducted in calculating the total assets of the Company):

- (a) the costs and expenses incurred, and to be incurred, by the Company and the Liquidators in formulating, preparing and implementing the Proposals and the Scheme and in preparing this document and all associated documents, in each case as not otherwise paid prior to the liquidation;
- (b) the sales costs (including any commissions, taxes and market charges) associated with the transfer of assets from the Company to Invesco Asia that are payable by the Company;
- (c) the costs and expenses incurred, and to be incurred, by the Company and the Liquidators in preparing and implementing the Transfer Agreement;
- (d) the costs of purchasing (or making provision for the purchase of) the interests of Shareholders who have validly exercised their rights to dissent from the Scheme under section 111(2) of the Insolvency Act;
- (e) any unclaimed dividends of the Company (so far as not previously paid) and any declared but unpaid dividends of the Company;
- (f) the costs and expenses of liquidating and winding up the Company (which includes the costs and expenses in relation to the Liquidators maintaining the Company in liquidation until the date of the final meeting of the Company), including the fees and expenses of the Liquidators and the Registrar;
- (g) the accrued expenses of the Company;
- (h) any tax liabilities of the Company; and
- (i) an amount considered by the Liquidators to be appropriate to provide for any unascertained, unknown or contingent liabilities of the Company (such amount not expected to exceed £100,000 in aggregate),

in each case including any VAT in respect thereof; and

3.2.2. second, there shall be appropriated to the Cash Pool and the Rollover Pool all the undertaking, cash and other assets of the Company remaining after the appropriation referred to in paragraph 3.2.1 above on the following basis:

- (a) there shall be first appropriated to the Cash Pool such proportion of the undertaking, cash and other assets as shall equal the Cash Pool NAV as set out in paragraph 4.5 of this Part 4; and
- (b) there shall be appropriated to the Rollover Pool the balance of the undertaking, cash and other assets of the Company, including for the avoidance of doubt the benefit of the Cash Option Discount as defined below in paragraph 4.5 of this Part 4.

- 3.3. Interest, income and other rights or benefits accruing in respect of any of the undertaking, cash or other assets comprised in any of the Liquidation Pool, Cash Pool or Rollover Pool will



form part of that pool, provided that any income, dividend, distribution, interest or other right or benefit on any investment marked “ex” the relevant income, dividend, distribution, interest or other right or benefit at, or prior to, the Calculation Date shall be deemed to form part of the Liquidation Pool.

#### **4. CALCULATIONS OF VALUE**

4.1. Except as otherwise provided in the Scheme, for the purposes of calculating the value of the Company’s assets and liabilities at any time and date at which the calculation of value is required by the Scheme, the assets and liabilities of the Company will be valued on the following basis:

- 4.1.1. investments which are listed, quoted or traded on any recognised stock exchange will be valued by reference to the bid price on the principal stock exchange where the relevant investment is listed, quoted or traded at the Relevant Time and according to the prices shown by the relevant exchange’s method of publication of prices for such investments or, in the absence of such recognised method by the latest price available prior to the Relevant Time. If the relevant exchange is not open for business at the Relevant Time, the investments will be valued as at the latest day prior to the relevant date on which the relevant stock exchange was open for business;
- 4.1.2. quoted investments which are subject to restrictions on transferability or which, in the opinion of the Board (or a duly constituted committee thereof) are otherwise illiquid shall be valued at their fair value as determined by the Board;
- 4.1.3. cash and deposits with, or balances at, a bank together with all bills receivable, money market instruments and other debt securities not included in paragraphs 4.1.1 or 4.1.2 above and held by the Company as at the Relevant Time will be valued at par (together with interest accrued up to the Calculation Date);
- 4.1.4. any sums owing from debtors (including any dividends due but not paid and any accrual of interest on debt-related securities to the extent not already taken into account under paragraphs 4.1.1 or 4.1.2 above) as at the Relevant Time shall be valued at their actual amount less such provision for diminution of value (including provisions for bad or doubtful debts or discount to reflect the time value of money) as may be determined by the Board;
- 4.1.5. assets denominated in currencies other than Sterling will be converted into Sterling at the closing mid-point rate of exchange of Sterling and such other currencies prevailing as at the Relevant Time as may be determined by the Board; and
- 4.1.6. liabilities shall be valued in accordance with the Company’s normal accounting policies.

In this paragraph 4.1, the “**Relevant Time**” means the time and date at which any calculation of value is required by the Scheme to be made. The Directors shall consult with the Liquidators in making determinations pursuant to this paragraph 4.1.

- 4.2. Notwithstanding the foregoing, the Board or a duly authorised committee thereof, may, in their absolute discretion (but in consultation with the Liquidators), permit an alternative method of valuation to be used if, acting in good faith, they consider that such valuation better reflects the fair value of any asset or security. None of the Board, the Company or the Liquidators will be under any liability by reason of the fact that a valuation believed to be appropriate may subsequently be found not to have been appropriate.
- 4.3. None of the Directors, the IAT Directors, AFML, IFML nor the Liquidators shall be under any liability by reason of the fact that a price reasonably believed to be the appropriate market price of any listed investment or any valuation reasonably believed to be appropriate may subsequently be found not to have been the appropriate market price or valuation, except in the case of fraud or bad faith.
- 4.4. The Residual Net Asset Value will be equal to the gross assets of the Company as at the Calculation Date less the value of the cash and other assets appropriated to the Liquidation Pool in accordance with paragraph 3.2.1 above. The Residual Net Asset Value per Share will be equal to the Residual Net Asset Value divided by the number of Shares in issue as at the



Calculation Date (excluding any Shares held in treasury) (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down).

- 4.5. The Cash Pool NAV will be equal to the Residual Net Asset Value per Share multiplied by the total number of Reclassified Shares with “B” rights less a discount of 2.0 per cent. (the aggregate value of such discount being the “**Cash Option Discount**”). The Cash NAV per Share will be equal to the Cash Pool NAV divided by the total number of Reclassified Shares with “B” rights (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down).
- 4.6. The DGN FAV will be equal to the Residual Net Asset Value per Share multiplied by the total number of Reclassified Shares with “A” rights, plus the benefit of the Cash Option Discount up to such amount required to defray the Company’s Direct Transaction Costs with any excess value being for the benefit of the enlarged Invesco Asia. The DGN FAV per Share will be equal to the DGN FAV divided by the total number of Reclassified Shares with “A” rights (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down).

## **5. PROVISION OF INFORMATION BY THE LIQUIDATORS**

On the Effective Date the Liquidators will procure that there will be delivered to Invesco Asia (or its nominee) particulars of the undertaking, cash and other assets comprising the Rollover Pool in accordance with the terms of the Transfer Agreement and a list, certified by the Registrar, of the names and addresses of each holder of Reclassified Shares with “A” rights and the number of Reclassified Shares with “A” rights held by each of them.

## **6. TRANSFER OF ASSETS**

- 6.1. On the Effective Date the Liquidators (in their personal capacity and on behalf of the Company) will enter into and implement the Transfer Agreement (subject to such modifications as may be agreed between the parties thereto), whereby the Liquidators will procure the transfer of the cash, undertaking and other assets of the Company comprising the Rollover Pool to Invesco Asia (or its nominee) in consideration for the issue of New IAT Shares to the Liquidators (as nominees for the Shareholders entitled to them), such shares to be renounced by the Liquidators in favour of the holders of Reclassified Shares with “A” rights on the basis referred to in paragraph 8 below; and
- 6.2. the Transfer Agreement provides that the assets to be transferred to Invesco Asia shall be transferred with such rights and title as the Company may have in respect of the same or any part thereof subject to and with the benefit of all and any rights, restrictions, obligations, conditions and agreements affecting the same or any part thereof, including the right to all income, dividends, distributions, interest and other rights and benefits attaching thereto or accruing therefrom but excluding any such income, dividend, distribution, interest or other right or benefit on any investment marked “ex” that income, dividend, distribution, interest or other right or benefit (as applicable) at or prior to the Calculation Date (which shall be deemed to form part of the Liquidation Pool). The Transfer Agreement further provides that the Company, acting by the Liquidators, insofar as they are reasonably able to do so by law or otherwise, shall comply with all reasonable requests made by Invesco Asia (or its nominee) in respect of the cash, undertaking and other assets of the Company to be acquired and will, in particular, account to Invesco Asia for all income, dividends, distributions, interest and other rights and benefits in respect of such cash, undertaking and other assets, received after the Effective Date.

## **7. DISTRIBUTION OF THE CASH POOL**

Cash Entitlements payable to the holders of Reclassified Shares with “B” rights will be distributed by the Liquidators, through Equiniti and pursuant to the Scheme, in cash to each Shareholder who has elected or is deemed to have elected for the Cash Option in proportion to its respective holding of Reclassified Shares with “B” rights, which shall be equal to such Shareholder’s entitlement to the net realisation proceeds of the Cash Pool pursuant to the Scheme and rounded down to the nearest penny.

## 8. ISSUE OF NEW IAT SHARES

- 8.1. In consideration for the transfer of the Rollover Pool to Invesco Asia in accordance with paragraph 6 above, the New IAT Shares will be issued to the holders of Reclassified Shares with “A” rights on the basis that the number of such New IAT Shares to which each such holder is entitled will be determined in accordance with the following formula (rounded down to the nearest whole number of New IAT Shares):

$$\text{Number of New IAT Shares} = \frac{A}{B} \times C$$

where:

A = is the DGN FAV per Share;

B = is the IAT FAV per Share; and

C = is the aggregate number of Reclassified Shares with “A” rights held by the relevant Shareholder.

- 8.2. No value shall be attributable to Shares held in treasury by the Company. Fractions of New IAT Shares will not be issued under the Scheme and entitlements to such New IAT Shares will be rounded down to the nearest whole number. Any assets representing a fraction of the entitlements of those holders of Reclassified Shares with “A” rights and whose holding is rounded down shall be retained by Invesco Asia and represent an accretion to its assets.
- 8.3. New IAT Shares to be issued pursuant to paragraph 8.1 will be allotted, credited as fully paid, to the Liquidators (as nominee for the Shareholders entitled thereto) as soon as practicable after the delivery to Invesco Asia (or its nominee) of the particulars referred to in paragraph 5 above, whereupon the Liquidators will renounce the allotments of New IAT Shares in favour of Shareholders entitled to them under the Scheme. On such renunciation, Invesco Asia will issue the New IAT Shares to the Shareholders entitled thereto. Invesco Asia will:
- (a) in the case of the New IAT Shares issued in certificated form, arrange for the despatch of certificates for such New IAT Shares issued under the Scheme to the Shareholders entitled thereto at their respective addresses in the Register (and, in the case of joint holders, to the address of the first-named) or to such other person and address as may be specified by such persons in writing, in each case at the risk of the persons entitled thereto; and
  - (b) in the case of the New IAT Shares issued in uncertificated form, procure that Euroclear is instructed on the Business Day following the Effective Date (or as soon as practicable thereafter) to credit the appropriate stock accounts in CREST of the Shareholders entitled thereto with their respective entitlements to New IAT Shares issued under the Scheme.
- 8.4. Invesco Asia shall be entitled to assume that all information delivered to it in accordance with paragraph 8.3 above is correct and to utilise the same in procuring registration in Invesco Asia’s register of members of the holders of the New IAT Shares issued under the Scheme.

## 9. APPLICATION OF LIQUIDATION POOL

On or following the Effective Date, the Liquidation Pool shall be applied by the Company (acting by the Liquidators) in discharging the liabilities of the Company. The remaining balance of the Liquidation Pool, if any, shall be distributed in cash by the Liquidators pursuant to the Scheme to all Shareholders (being Shareholders on the Record Date in proportion to the respective holdings of Shares on the Record Date, other than Dissenting Shareholders) provided that if any such amount payable to any Shareholder is less than £5.00, it shall not be paid to the Shareholder but instead shall be retained by the Liquidators for the Nominated Charity. The Liquidators will also be entitled to make interim payments to Shareholders in proportion to their holdings of Shares. The Liquidators shall only make such distribution if there is sufficient cash available and if the Liquidators are of the view that it is cost effective to make an interim distribution. For these purposes, any Shares held by Dissenting Shareholders will be ignored.

## **10. FORMS OF ELECTION**

For the purposes of the Forms of Election, the provisions of which form part of the Scheme:

- 10.1. if, on any Form of Election, the total of a Shareholder's Election(s) is greater than their actual holding as at the Record Date, the Election(s) for the Cash Option made by such Shareholder on that Form of Election shall be decreased so that the total of such Election(s) shall equal their total holding and, in any such case, such decreased Election(s) shall be deemed to be the Election(s) made by such Shareholder on the Form of Election for all purposes of the Scheme;
- 10.2. if, on any Form of Election, the total of a Shareholder's Election(s) is less than their actual holding as at the Record Date, then for the balance of such Shareholder's Shares, that Shareholder will be deemed to have elected for New IAT Shares;
- 10.3. a Shareholder who makes no Election by the latest time and date for receipt of the Forms of Election, or in respect of whom no Form of Election has been duly and validly completed in accordance with the instructions therein, shall be deemed to have made an Election for the Rollover Option in respect of all of the Shares held by them for all purposes of the Scheme;
- 10.4. by signing and delivering a Form of Election and in consideration of the Company agreeing to process the Form of Election, a Shareholder agrees that the Election(s) made on the Form of Election will be irrevocable (unless otherwise agreed by the Directors) and, by such signature and delivery, such Shareholder represents and warrants that their Election is valid and binding and is made in accordance with all applicable legal requirements (including the requirements of any applicable jurisdiction outside the UK); and
- 10.5. any questions as to the extent (if any) to which Election(s) will be met and as to the validity of any Form of Election shall be at the discretion of the Directors, whose determination shall be final.

## **11. MODIFICATIONS**

The provisions of the Scheme will have effect subject to such non-material modifications or additions as the Board and the parties to the Transfer Agreement may from time to time approve in writing.

## **12. RELIANCE ON INFORMATION**

The Company, the Directors, the Liquidators, AFML, Invesco Asia and IFML shall be entitled to act and rely, without enquiry, on any information furnished or made available to them or any of them (as the case may be) in connection with the Scheme and the Transfer Agreement, including, for the avoidance of doubt, any certificate, opinion, advice, valuation, evidence or other information furnished or made available to them by the Company, the Directors (or any of them), Invesco Asia, the IAT Directors (or any of them), AFML, IFML, or the Registrar, custodians, auditors, bankers or other professional advisers of the Company or Invesco Asia, and no such person will be liable or responsible for any loss suffered as a result thereof by the Company, any Shareholder, Invesco Asia or any IAT Shareholder.

## **13. LIQUIDATORS' LIABILITY**

Nothing in the Scheme or in any document executed under or in connection with the Scheme will impose any personal liability on the Liquidators or either of them, save for any liability arising out of any negligence, fraud, bad faith, breach of duty or wilful default by the Liquidators in the performance of their duties and this will, for the avoidance of doubt, exclude any such liability for any action taken by the Liquidators in accordance with the Scheme, the Transfer Agreement or any act which the Liquidators do or omit to do at the request of Invesco Asia.

## **14. CONDITIONS**

14.1. The Scheme is conditional upon:

- 14.1.1. the passing of the Resolutions to be proposed at the First General Meeting and the Resolution to be proposed at the Second General Meeting, or any adjournment of those meetings, and upon any conditions of such Resolutions being fulfilled;

- 14.1.2. the IAT Allotment Resolution being passed and becoming unconditional in all respects;
- 14.1.3. the Financial Conduct Authority, having acknowledged to Invesco Asia or its agents (and such acknowledgement not having been withdrawn) that the application for the admission of the New IAT Shares to the Official List has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject (for the purposes of this paragraph, the “**listing conditions**”)) will become effective as soon as notice of admission to the Official List has been issued by the Financial Conduct Authority and any listing conditions having been satisfied, and the London Stock Exchange having acknowledged to Invesco Asia or its agents (and such acknowledgement not having been withdrawn) that the New IAT Shares will be admitted to trading on the Main Market, subject only to allotment; and
- 14.1.4. the Directors and the IAT Directors resolving to proceed with the Scheme.
- 14.2. In the event that any of conditions 14.1.1 (other than in relation to the Resolution to be proposed at the Second General Meeting), 14.1.2, 14.1.3 or 14.1.4 fails to be satisfied, the Second General Meeting will be adjourned indefinitely and the Scheme will lapse.
- 14.3. Subject to paragraphs 14.1 and 14.5, the Scheme will become effective on the date on which the Resolution for the winding up of the Company to be proposed at the Second General Meeting (or any adjournment thereof) is passed.
- 14.4. If it becomes effective, the Scheme will, subject to the rights of any Shareholders who have validly exercised their rights under section 111(2) of the Insolvency Act, be binding on all Shareholders and on all persons claiming through or under them.
- 14.5. Unless the conditions set out in paragraph 14.1 have been satisfied or, to the extent permitted, waived by both the Company and Invesco Asia on or before 31 March 2025, the Scheme shall not become effective.
- 14.6. An application will be made to the FCA for the listing of the Reclassified Shares to be suspended, subject to paragraphs 14.1.1 (other than in relation to the Resolution to be proposed at the Second General Meeting), 14.1.2 and 14.1.4 above, at 7.30 a.m. on 13 February 2025 and it is intended that, subject to paragraph 14.1, such listing will be cancelled as soon as possible after the Effective Date or such other date as the Liquidators will determine.

## 15. OVERSEAS SHAREHOLDERS

- 15.1. To the extent that the Company, Invesco Asia, and/or the Liquidators, acting reasonably, consider that any issue of New IAT Shares under the Scheme to an Overseas Shareholder(s) would or may involve a breach of the securities laws or regulations of any jurisdiction, or if Invesco Asia, and/or the Liquidators reasonably believe that the same may violate any applicable legal or regulatory requirements or may require Invesco Asia to become subject to additional regulatory requirements (to which it would not be subject but for such issue) and Invesco Asia and/or the Liquidators, as the case may be, have not been provided with evidence reasonably satisfactory to them that the relevant Overseas Shareholder(s) is/are permitted to hold New IAT Shares under any relevant securities laws or regulations of such overseas jurisdictions (or that Invesco Asia would not be subject to any additional regulatory requirements to which it would not be subject but for such issue), such Overseas Shareholder(s) will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Shares. Such deemed elections will be subject to scaling back in accordance with paragraph 2.1 of this Part 4.
- 15.2. Overseas Shareholders will not receive New IAT Shares pursuant to the Scheme. To the extent that an Overseas Shareholder is due to receive New IAT Shares under the Scheme (i.e. to the extent that the Overseas Shareholder's deemed election for the Cash Option is scaled back), then such New IAT Shares will instead be issued to the Liquidators (as nominees on behalf of such Overseas Shareholder) who will arrange for the New IAT Shares to be sold on the stock market promptly by a market maker (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Overseas Shareholder or the value of the Shares held by the relevant Overseas Shareholder). The net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid to the

relevant Overseas Shareholder entitled to them as soon as reasonably practicable and in any event no later than ten Business Days after the date of sale, save that entitlements of less than £5.00 per Overseas Shareholder will be retained in the Liquidation Pool.

- 15.3. If a US Shareholder does not execute and return a US Investor Representation Letter, then to the extent that such US Shareholder is due to receive New IAT Shares under the Scheme (i.e. to the extent that the US Shareholder's deemed election for the Cash Option is scaled back), then such New IAT Shares will instead be issued to the Liquidators (as nominees on behalf of such US Shareholder) who will arrange for the New IAT Shares to be sold on the stock market promptly by a market maker (which shall be done by the Liquidators without regard to the personal circumstances of the relevant US Shareholder or the value of the Shares held by the relevant US Shareholder). The net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid to the relevant US Shareholder entitled to them as soon as reasonably practicable and in any event no later than ten Business Days after the date of sale, save that entitlements of less than £5.00 per US Shareholder will be retained in the Liquidation Pool.
- 15.4. The provisions of the Scheme relating to Overseas Shareholders may be waived, varied or modified as regards a specific Shareholder or on a general basis by the Board, the IAT Board and the Liquidators in their absolute discretion.

## **16. SANCTIONS RESTRICTED PERSONS**

- 16.1. A Sanctions Restricted Person will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Shares. Such deemed elections will be subject to scaling back in accordance with paragraph 2.1 of this Part 4.
- 16.2. Sanctions Restricted Persons will not receive New IAT Shares pursuant to the Scheme. To the extent that a Sanctions Restricted Person is due to receive New IAT Shares under the Scheme (i.e. to the extent that the Sanctions Restricted Person's deemed election for the Cash Option is scaled back), such New IAT Shares will be issued to the Liquidators as nominees for the relevant Shareholder and sold by the Liquidators as nominees for the relevant Shareholder in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Shareholder and the value of the Shares held by the relevant Shareholder). The net proceeds of such sale (after deduction of any costs incurred in effecting such sale) together with any Cash Entitlements will be paid to such Shareholder at the sole and absolute discretion of the Liquidators, subject to applicable laws and regulations.

## **17. GENERAL**

- 17.1. Any instructions for the payment of dividends on Shares in force on the Effective Date and lodged with the Company and/or the Registrar shall, unless and until revoked by notice in writing to the Registrar, continue to apply in respect of distributions or allocations of, or the other application of, monies under the Scheme or in respect of the issue of New IAT Shares under the Scheme.
- 17.2. If, within seven days after the passing of the Resolutions proposed at the First General Meeting, one or more Shareholders validly exercise their rights under section 111(2) of the Insolvency Act in respect of more than five per cent. in nominal value of the issued Shares, the Board (or a duly authorised committee thereof) may, but will not be obliged to, resolve not to proceed with the Scheme. Any such resolution by the Board (or a duly authorised committee thereof) will only be effective if passed prior to the passing of the Resolution for winding up the Company to be proposed at the Second General Meeting (or any adjournment thereof).
- 17.3. Shares which are held in treasury by the Company will not have any entitlements under the Scheme.
- 17.4. The Scheme shall be governed by, and construed in accordance with, the laws of England and Wales.



## **PART 5 – RISK FACTORS**

The risks referred to in this Part 5 are the material risks known to the Board at the date of this document which the Board believes Shareholders should consider prior to deciding how to cast their votes on the Resolutions at the General Meetings. Any investment in Invesco Asia (pursuant to the Scheme or otherwise) will be governed by the IAT Prospectus and the IAT Articles. Accordingly, Shareholders are strongly advised to read the IAT Prospectus, and, in particular, the risk factors contained therein. Shareholders in any doubt about the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under FSMA without delay.

### **The Scheme**

Implementation of the Proposals is conditional upon, amongst other things, the Resolutions being passed at the General Meetings and the IAT Allotment Resolution being passed by the IAT Shareholders. In the event that any of the Resolutions to be proposed at the General Meetings are not passed, or any other condition of the Proposals is not met, the Proposals will not be implemented and the Board will then consider alternative proposals for the future of the Company, the implementation of which would likely result in additional costs being incurred.

In advance of the Calculation Date, the Directors intend that the Company and/or the AIFM (or their agents) will have, to the extent practicable, realised or reorganised the undertaking and business carried on by the Company in accordance with the Scheme and the Elections made or deemed to have been made thereunder so that, so far as practicable, the Company will hold, in addition to assets destined to become the Cash Pool and the Liquidation Pool, investments suitable for transfer to IAT in accordance with the terms of the Transfer Agreement. If the Scheme fails to proceed and depending on the point of abort, the Company's portfolio may therefore be held as assets which may need to be reinvested or realigned.

If the Scheme is not implemented, the Company will still bear the costs of the Proposals up to the point of abort, including any costs relating to the reorganisation or realisation of its portfolio incurred up to that point.

If a Shareholder wishes to elect for more than their Basic Entitlement and total Elections for the Cash Option made by all Shareholders are greater than 25 per cent. of the total issued Shares then such Shareholder's Election will be scaled back resulting in such Shareholder receiving New IAT Shares instead of cash in respect of part of their holding of Shares.

Equity stock markets can be volatile and any volatility during the period of the reorganisation of the Company's portfolio, could result in the Company's portfolio performing differently from others in its peer group. Over this period there may be less liquidity in stock markets which could adversely affect the performance of the Company during the reorganisation process and when realising investments to fund the Cash Option.

### **Dissenting Shareholders**

The Liquidators will offer to purchase the holdings of any Dissenting Shareholders at the realisation value, this being an estimate of the amount a Shareholder would receive per Ordinary Share in an ordinary winding up of the Company if all of the assets of the Company had to be realised and distributed to Shareholders. The realisation value of an Ordinary Share is expected to be below the unaudited cum-income NAV per Share and the Liquidators will not purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled.

### **Invesco Asia**

**Any investment in New IAT Shares issued by Invesco Asia will be governed by the IAT Prospectus and the IAT Articles. Shareholders should read the full text of the IAT Prospectus, including the section containing the risk factors.**

An investment in Invesco Asia is suitable only for investors who are capable of evaluating the risks of such an investment and who have sufficient resources to bear any loss which might result from such an investment (which may be equal to the whole amount invested).



IAT Shares are designed to be held over the long-term and may not be suitable as short-term investments. The value of an investment in Invesco Asia and the income derived from it, if any, may go down as well as up. There can be no guarantee that any appreciation in the value of Invesco Asia's investments will occur and investors may not get back the full value of their investment. There can be no guarantee that the investment objectives of Invesco Asia will be achieved or provide the returns sought by Invesco Asia.

The past performance of Invesco Asia is not a guide to its future performance.

Invesco Asia has a board of non-executive directors and has no employees. Invesco Asia is dependent on the skills and experience of IFML and IAML to manage its investments. If either or both of IFML or IAML ceases to act as Invesco Asia's AIFM and investment manager (as applicable) or if key personnel cease to remain with IFML and/or IAML or be involved in the management of the Invesco Asia portfolio, there is no assurance that suitable replacements will be found. If this occurs there may be an adverse effect on the performance of the Invesco Asia portfolio and the value of the IAT Shares.

The price of shares in an investment trust is determined by the interaction of supply and demand for such shares in the market as well as the net asset value per share. The share price can therefore fluctuate and may represent a discount or premium to the net asset value per IAT Share. This discount or premium is itself variable as conditions for supply and demand for IAT Shares change. This can mean that the price of an IAT Share can fall when the net asset value per share rises, or *vice versa*.

Invesco Asia is a closed-ended vehicle. Accordingly, notwithstanding Invesco's Asia's commitment to introduce triennial Unconditional Tender Offers (which is itself conditional on IAT Shareholders approving the removal of the triennial continuation vote from the IAT Articles), Shareholders will have no right to have their New IAT Shares repurchased at any time. Shareholders wishing to realise their investment in Invesco Asia may therefore be required to dispose of their New IAT Shares in the market. Although the New IAT Shares are expected to be listed on the Official List and admitted to trading on the Main Market, there can be no guarantee that a liquid market in the IAT Shares will exist or be maintained. Accordingly, Shareholders may be unable to realise their New IAT Shares at the quoted market price (or at the prevailing net asset value per New IAT Share).

## **Taxation**

Representations in this document concerning the taxation of Shareholders are based on current UK taxation law and HMRC published practice, which are subject to change (possibly with retrospective effect). The information in this document relating to UK taxation law and HMRC published practice is given by way of general summary and does not constitute legal or tax advice to Shareholders. The Board has been advised that the Scheme should be treated as a scheme of reconstruction for the purposes of UK taxation of capital gains. Clearance has been granted by HMRC under section 138 of the TCGA confirming that section 136 of the TCGA will not be prevented from applying to the Scheme by virtue of section 137(1) of the TCGA. HMRC have also confirmed that no counteraction notice under section 698 of the Income Tax Act nor under section 746 of the Corporation Tax Act should be served in respect of the transaction.

However, a subsequent disposal of IAT Shares should constitute a disposal for tax purposes and may, depending on a Shareholder's particular circumstances, give rise to a liability to UK taxation.

The Board has been advised that the proposed method of winding up the Company and the scheme of reconstruction is such that the Company should remain eligible to be treated as an investment trust for the accounting period which includes the date on which its assets are sold and/or transferred by the Liquidators pursuant to the Transfer Agreement. Accordingly, the transfer of the Company's assets in the Rollover Pool and the realisation of the Company's assets in the Cash Pool and the Liquidation Pool under the Scheme should not give rise to a liability to UK corporation tax for the Company. However, there can be no absolute assurance that investment trust status will be preserved and the absence of such status in any accounting period would mean the Company would be liable to pay UK corporation tax on its net capital gains in that period.

## **PART 6 – ADDITIONAL INFORMATION**

### **1. TRANSFER AGREEMENT**

Provided that all the conditions to the Scheme are satisfied and the Scheme becomes effective, the Company will enter into the Transfer Agreement with the Liquidators (in their personal capacity) and Invesco Asia pursuant to the Scheme. The Transfer Agreement is, as at the date of this document, in a form agreed between the Company, the Liquidators and Invesco Asia. The Transfer Agreement provides, among other things, that the cash, undertaking and other assets of the Company in the Rollover Pool are to be transferred to Invesco Asia in consideration for the allotment by Invesco Asia of New IAT Shares to the Liquidators, as nominees for Shareholders entitled to them in accordance with the Scheme. Thereafter, the Liquidators will renounce the allotments of the New IAT Shares in favour of eligible Shareholders and such New IAT Shares will be issued by Invesco Asia to such Shareholders pursuant to the Scheme. The Transfer Agreement excludes any liability on the part of the Liquidators for entering into and carrying into effect the Transfer Agreement, save for any liability arising as a result of negligence, fraud, bad faith, breach of duty or wilful default by the Liquidators in the performance of their duties.

The Transfer Agreement will be available for inspection as stated in paragraph 4 below.

The Company has entered into an irrevocable undertaking to enter into the Transfer Agreement on the Effective Date.

### **2. DISSENTING SHAREHOLDERS**

The Scheme is a reconstruction to which section 111(2) of the Insolvency Act applies. Under section 111(2) of the Insolvency Act, any Shareholder who does not vote in favour of the Resolutions to approve the Scheme to be proposed at the First General Meeting may, within seven days of the passing of the Resolutions at the First General Meeting, express their dissent in writing to the proposed Liquidators at the registered office of the Company for the attention of the proposed Liquidators (such Shareholder being a “**Dissenting Shareholder**”). If Dissenting Shareholders validly exercise their rights under section 111 in respect of more than five per cent. of, in aggregate, the issued Share capital of the Company, the Directors have discretion under the Scheme to decide that the Scheme should not proceed. The purchase price for such Dissenting Shareholders’ Shares will not exceed that which the Dissenting Shareholder(s) would receive on a straightforward winding up of the Company and will be paid once all liabilities have been settled in the liquidation.

### **3. CONSENTS**

- 3.1. Winterflood has given and not withdrawn its written consent to the inclusion of its name and references to it in this document in the form and context in which they appear.
- 3.2. The Liquidators have given and not withdrawn their written consent to the inclusion of their names and references to them in this document in the form and context in which they appear.

### **4. DOCUMENTS AVAILABLE FOR INSPECTION**

- 4.1. Copies of the following documents will be available for inspection during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the registered office of the Company from the date of this document up to and including the close of business on the Effective Date:
  - 4.1.1. this document;
  - 4.1.2. the Articles (containing the full terms of the amendments proposed to be made at the First General Meeting);
  - 4.1.3. the IAT Prospectus;
  - 4.1.4. the IAT Articles;
  - 4.1.5. letters of undertaking from the Company, the Liquidators and Invesco Asia to enter into the Transfer Agreement;

- 4.1.6. the Transfer Agreement, in a form agreed amongst the Company, the Liquidators and Invesco Asia as at the date of this document; and
- 4.1.7. the letters of consent from Winterflood and the Liquidators referred to in paragraphs 3.1 and 3.2 of this Part 6.
- 4.2. The Articles (including a version containing the full terms of the amendments proposed to be made pursuant to the Scheme at the First General Meeting) and the Transfer Agreement will be available at the First General Meeting for at least 15 minutes prior to and during that meeting. The proposed amended articles of association will also be available for inspection on the Company's website and at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>, from the date of this document.

18 December 2024

## PART 7 – DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

<b>2023 Combination</b>	the combination of abrdn New Dawn Investment Trust plc with the Company which was effected by way of a scheme of reconstruction and voluntary winding up of abrdn New Dawn Investment Trust plc under section 110 of the Insolvency Act and which completed on 8 November 2023
<b>“A” rights</b>	the rights attaching to Reclassified Shares in respect of which the holders are deemed to have elected for the Rollover Option
<b>Admission</b>	the admission of the New IAT Shares to be issued pursuant to the Scheme to listing on the closed-ended investment funds listing category of the Official List and to trading on the London Stock Exchange’s Main Market
<b>AFML</b>	abrdn Fund Managers Limited, a private limited company incorporated and registered in England and Wales with registered number 00740118 and having its registered office at 280 Bishopsgate, London EC2M 4AG
<b>AIFM</b>	an alternative investment fund manager, as defined under the UK AIFMD Laws
<b>Articles of Association or Articles</b>	the articles of association of the Company, as amended from time to time
<b>Australia</b>	the Commonwealth of Australia, its territories and possessions and all areas under its jurisdiction and political sub-divisions thereof
<b>“B” rights</b>	the rights attaching to Reclassified Shares in respect of which the holders have made or are deemed to have made valid Elections for the Cash Option
<b>Board</b>	the board of Directors
<b>Business Day</b>	any day on which the London Stock Exchange is open for business
<b>Calculation Date</b>	the time and date to be determined by the Board (but expected to be 5.00 p.m. on 6 February 2025), at which the value of the Company’s assets and liabilities will be determined for the creation of the Liquidation Pool, the Cash Pool and the Rollover Pool, and at which the Residual Net Asset Value, the Residual Net Asset Value per Share, the DGN FAV per Share, the IAT FAV per Share and the Cash NAV per Share will be calculated for the purposes of the Scheme
<b>Canada</b>	Canada, its provinces and territories and all areas under its jurisdiction and political sub-divisions thereof
<b>Cash Entitlement</b>	in respect of any Shareholder who validly elects, or is deemed to have elected, for the Cash Option, an amount equal to such Shareholder’s proportional entitlement to the Cash Pool pursuant to the Scheme
<b>Cash NAV per Share</b>	the Cash Pool NAV divided by the total number of Reclassified Shares with “B” rights (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down)
<b>Cash Option</b>	the option for Shareholders to receive cash under the terms of the Scheme

<b>Cash Option Discount</b>	the aggregate value of the 2.0 per cent. discount applied to the Residual Net Asset Value per Share, as set out in paragraph 4.5 of Part 4 of this document
<b>Cash Pool</b>	the fund comprising the pool of assets attributable to the Reclassified Shares with “B” rights
<b>Cash Pool NAV</b>	the Residual Net Asset Value per Share multiplied by the total number of Reclassified Shares with “B” rights less the Cash Option Discount
<b>certificated or in certificated form</b>	a share or other security which is not in uncertificated form
<b>Companies Act</b>	the Companies Act 2006, as amended from time to time
<b>Company</b>	Asia Dragon Trust plc, a public limited company incorporated and registered in Scotland with registered number SC106049 and having its registered office at 1 George Street, Edinburgh EH2 2LL
<b>Company Secretary</b>	abrdn Holdings Limited, a private limited company incorporated and registered in Scotland with registered number SC082015 and having its registered office at 10 Queen’s Terrace, Aberdeen, Aberdeenshire AB10 1XL
<b>Corporation Tax Act</b>	the Corporation Tax Act 2010, as amended from time to time
<b>CREST</b>	the UK-based system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended from time to time
<b>CREST Manual</b>	the manual published by Euroclear describing the CREST system, as amended from time to time
<b>DGN AIFM Agreement</b>	the alternative investment fund management agreement entered into between the Company and AFML on 14 July 2014, as amended and supplemented from time to time
<b>DGN FAV</b>	the Residual Net Asset Value per Share multiplied by the total number of Reclassified Shares with “A” rights, plus the benefit of the Cash Option Discount up to such amount required to defray the Company’s Direct Transaction Costs, with any excess value being for the benefit of the enlarged Invesco Asia
<b>DGN FAV per Share</b>	the DGN FAV divided by the total number of Reclassified Shares with “A” rights (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down)
<b>Direct Transaction Costs</b>	any costs, fees or other expenses incurred by Asia Dragon or, as the case may be, Invesco Asia in paying advisers or service providers including but not limited to legal advisers, corporate finance, broking or financial advisers, accountants, tax advisers, debt advisers, company secretaries, registrars, receiving agents, administrators, printers, PR agencies or liquidators in connection with the implementation of the Proposals, including any VAT payable thereon and any disbursements and, (i) in the case of Asia Dragon, including any amount payable in respect of the termination of Asia Dragon’s investment management agreement and any explicit costs of portfolio reorganisation in respect of the Rollover Pool incurred by Asia Dragon and (ii) in the case of Invesco Asia, excluding any listing fees to be borne by Invesco Asia in respect of the listing of the New IAT Shares or any transaction/transfer tax or investment costs incurred by Invesco Asia in connection with the transfer of the Rollover Pool

<b>Directors</b>	the directors of the Company from time to time
<b>Disclosure Guidance and Transparency Rules</b>	the disclosure guidance published by the FCA and the transparency rules made by the FCA under section 73A of FSMA, as amended from time to time
<b>Dissenting Shareholder</b>	a Shareholder who has validly dissented from the Scheme pursuant to section 111(2) of the Insolvency Act
<b>EEA State</b>	a member state of the European Economic Area
<b>Effective Date</b>	the date on which the Scheme becomes effective (which is expected to be 13 February 2025)
<b>Election</b>	the choice made by a Shareholder for the Cash Option pursuant to the Scheme (including, where the context so permits, a deemed choice for the Cash Option) and any reference to “elect” shall, except where the context requires otherwise, mean “elect or is deemed to elect”
<b>EU AIFM Delegated Regulation</b>	the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision
<b>EU AIFM Directive</b>	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 and the EU AIFM Delegated Regulation
<b>Euroclear</b>	Euroclear UK & International Limited, in its capacity as the operator of CREST
<b>FAV</b>	formula asset value
<b>FCA or Financial Conduct Authority</b>	the Financial Conduct Authority of the UK, its predecessors or its successors from time to time, including, as applicable, in its capacity as the competent authority for the purposes of Part VI of FSMA
<b>First General Meeting</b>	the general meeting of the Company convened for 11.00 a.m. on 4 February 2025 to be held at Wallacespace Spitalfields, 15-25 Artillery Lane, London E1 7LP or any adjournment of that meeting
<b>Form of Election</b>	the form of election for use by Shareholders holding their Ordinary Shares in certificated form in relation to the Scheme
<b>Form(s) of Proxy</b>	the form(s) of proxy for use by Shareholders in connection with the First General Meeting or the Second General Meeting, as the context requires
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended from time to time
<b>General Meeting(s)</b>	the First General Meeting and/or the Second General Meeting, as the context requires
<b>HMRC</b>	HM Revenue & Customs
<b>IAML</b>	Invesco Asset Management Limited, a private limited company incorporated in England and Wales with registered number 00949417 and having its registered office at Perpetual Park, Perpetual Park Drive, Henley-On-Thames, Oxfordshire, United Kingdom, RG9 1HH



<b>IAT Allotment Resolution</b>	the resolution to be proposed at the IAT General Meeting to sanction the issue of New IAT Shares by IAT pursuant to the Scheme
<b>IAT Articles</b>	the articles of association of Invesco Asia, as amended from time to time
<b>IAT Benchmark Index</b>	MSCI AC Asia ex Japan Index (total return, net of withholding tax, in sterling terms)
<b>IAT Board</b>	the board of directors of Invesco Asia from time to time
<b>IAT Directors</b>	the directors of Invesco Asia from time to time
<b>IAT FAV</b>	the net asset value of Invesco Asia being the value of Invesco Asia's assets less any liabilities it has, calculated as at the Calculation Date in accordance with its normal accounting policies, on a cum income basis adjusted for debt calculated at fair value adjusted for (i) any Direct Transaction Costs of the Proposals not already accrued in the Invesco Asia NAV (but not any listing fees to be borne by Invesco Asia in respect of the listing of the New IAT Shares or any stamp duty, SDRT or other transaction tax or investment costs incurred by Invesco Asia in connection with the transfer of the Rollover Pool); (ii) any dividends announced/declared but not yet paid and not accounted for in the Invesco Asia NAV, prior to the Effective Date; and (iii) the allocation of the benefit of the Invesco Contribution up to an amount equal to Invesco Asia's Direct Transaction Costs, with any balance thereafter applying for the benefit of all shareholders of the enlarged Invesco Asia following implementation of the Scheme
<b>IAT FAV per Share</b>	the IAT FAV divided by the number of IAT Shares in issue on the Calculation Date (excluding treasury shares) (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down)
<b>IAT General Meeting</b>	the general meeting of IAT convened for 10.30 a.m. on 16 January 2025, or any adjournment thereof
<b>IAT Prospectus</b>	the prospectus published by Invesco Asia on or around 18 December 2024 relating to the issue of New IAT Shares pursuant to the Scheme
<b>IAT Second Interim Dividend</b>	Invesco Asia's second interim dividend in respect of the financial year ending 30 April 2025
<b>IAT Shareholders</b>	holders of IAT Shares, including holders of the New IAT Shares if the context requires
<b>IAT Shares</b>	ordinary shares of 10 pence each in the capital of Invesco Asia, including the New IAT Shares if the context requires
<b>IFML</b>	Invesco Fund Managers Limited, a private limited company incorporated in England and Wales with registered number 00898166 and having its registered office at Perpetual Park, Perpetual Park Drive, Henley-On-Thames, Oxfordshire, United Kingdom, RG9 1HH
<b>Income Tax Act</b>	the Income Tax Act 2007, as amended from time to time
<b>Insolvency Act</b>	the Insolvency Act 1986, as amended from time to time
<b>Invesco Asia or IAT</b>	Invesco Asia Trust plc, a public limited company incorporated and registered in England and Wales with registered number 03011768 and having its registered office at Perpetual Park, Perpetual Park Drive, Henley On Thames, Oxfordshire, RG9 1HH

<b>Invesco Contribution</b>	the contribution to the costs of the Scheme to be made by IFML, as detailed in the section titled “ <i>Costs of implementing the Proposals</i> ” in Part 1 of this document, which will be applied initially for the benefit of Invesco Asia to meet its Direct Transaction Costs, with the balance being for the benefit of the shareholders of the enlarged Invesco Asia following implementation of the Scheme
<b>ISA</b>	an individual savings account
<b>Japan</b>	Japan, its cities, prefectures, territories and possessions
<b>Liquidation Pool</b>	the pool of assets of the Company to be retained by the Liquidators to meet all known and unknown liabilities of the Company and other contingencies, as further provided in paragraph 3.2 of Part 4 of this document
<b>Liquidators</b>	the liquidator(s) of the Company being, initially, the persons appointed jointly and severally upon the resolution to be proposed at the Second General Meeting becoming effective
<b>Liquidators’ Retention</b>	an amount to be retained by the Liquidators to meet any unknown or unascertained liabilities of the Company, which is currently estimated by the Company at £100,000
<b>Listing Rules</b>	the Listing Rules made by the FCA for the purposes of Part VI of FSMA
<b>London Stock Exchange</b>	London Stock Exchange plc, a public limited company incorporated and registered in England and Wales with registered number 02075721 and having its registered office at 10 Paternoster Square, London EC4M 7LS
<b>Main Market</b>	the main market for listed securities operated by the London Stock Exchange
<b>NAV or Net Asset Value</b>	the gross assets of the Company or Invesco Asia, as appropriate, less its liabilities (including provisions for such liabilities) determined by the relevant board of directors in their absolute discretion in accordance with the accounting principles adopted by that company
<b>New IAT Shares</b>	the IAT Shares to be issued to Shareholders who are deemed to have elected for the Rollover Option pursuant to the Scheme
<b>Nominated Charity</b>	Children First, 83 Whitehouse Loan, Edinburgh EH9 1AT (Registered Scottish charity number: SC016092)
<b>Notice of the First General Meeting</b>	the notice of the First General Meeting, which is set out on pages 56 to 60 of this document
<b>Notice(s) of the General Meeting(s)</b>	the Notice of the First General Meeting and/or the Notice of the Second General Meeting, as the context requires
<b>Notice of the Second General Meeting</b>	the notice of the Second General Meeting, which is set out on pages 61 to 63 of this document
<b>Official List</b>	the Official List maintained by the FCA
<b>Ordinary Shares or Shares</b>	ordinary shares of 20 pence each in the capital of the Company
<b>Overseas Shareholders</b>	Shareholders who have a registered address outside of, or who are resident in, or citizens, residents or nationals of, jurisdictions outside, the United Kingdom, the Channel Islands and the Isle of Man
<b>Proposals</b>	the proposals for the members’ voluntary liquidation and scheme of reconstruction of the Company, as set out in this document

<b>Proposed Directors</b>	James Will, Matthew Dobbs, Nicole Yuen and Susan Sternglass Noble
<b>Reclassified Shareholder</b>	a holder of Reclassified Shares
<b>Reclassified Shares</b>	the Shares reclassified under the Scheme as Shares with “A” rights or “B” rights
<b>Record Date</b>	6.00 p.m. on 5 February 2025 (or such other date as determined at the sole discretion of the Board), being the record date for determining Shareholders’ entitlements under the Scheme
<b>Register</b>	the register of members of the Company
<b>Registrar or Receiving Agent or Equiniti</b>	Equiniti Limited, a private limited company incorporated in England and Wales with registered number 06226088 and having its registered office at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA
<b>Regulatory Information Service</b>	the regulatory information service provided by the London Stock Exchange
<b>Relevant Time</b>	has the meaning given to it in paragraph 4.1 of Part 4 of this document
<b>Republic of South Africa</b>	the Republic of South Africa, its territories and possessions and all areas under its jurisdiction and political sub divisions thereof
<b>Residual Net Asset Value</b>	the gross assets of the Company as at the Calculation Date less the value of the cash and other assets appropriated to the Liquidation Pool
<b>Residual Net Asset Value per Share</b>	the Residual Net Asset Value divided by the number of Ordinary Shares in issue as at the Calculation Date (excluding any Ordinary Shares held in treasury) (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down)
<b>Resolutions</b>	the resolutions to be proposed at the General Meetings, each being a “ <b>Resolution</b> ”
<b>Resolution 1</b>	the first resolution to be proposed at the First General Meeting, relating to amendment of the Articles pursuant to implementation of the Scheme
<b>Resolution 2</b>	the second resolution to be proposed at the First General Meeting, relating to the approval of the Scheme
<b>Rollover Option</b>	the option for Shareholders to be deemed to have elected to receive New IAT Shares in respect of some or all of their holding of Ordinary Shares on the winding up of the Company under the terms of the Scheme
<b>Rollover Pool</b>	the pool of cash, undertaking and other assets to be established under the Scheme to be transferred to Invesco Asia pursuant to the Transfer Agreement
<b>Sanctions Authority</b>	each of: <ul style="list-style-type: none"> <li>(i) the United States government;</li> <li>(ii) the United Nations;</li> <li>(iii) the United Kingdom;</li> <li>(iv) the European Union (or any of its member states);</li> <li>(v) any other relevant governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; and</li> </ul>

- (vi) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty's Treasury

**Sanctions Restricted Person**

each person or entity:

- (i) that is organised or resident in a country or territory which is the target of comprehensive country sanctions administered or enforced by any Sanctions Authority;
- (ii) that is, or is directly or indirectly owned or controlled by a person that is, described or designated in (a) the current "Specially Designated Nationals and Blocked Persons" list (which as at the date of this document can be found at: [www.treasury.gov/ofac/downloads/sdnlist.pdf](http://www.treasury.gov/ofac/downloads/sdnlist.pdf)); and/or (b) the current "Consolidated list of persons, groups and entities subject to EU financial sanctions" (which as at the date of this document can be found at: <https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions?locale=en>); and/or (c) the current "Consolidated list of financial sanctions targets in the UK" (which as at the date of this document can be found at <https://ofsistorage.blob.core.windows.net/publishlive/2022format/ConList.html>);
- (iii) that is otherwise the subject of or in violation of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion in: (a) the current "Sectoral Sanctions Identifications" list (which as of the date of this document can be found at: [www.treasury.gov/ofac/downloads/ssi/ssilist.pdf](http://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf)) (the "SSI List"), (b) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the "EU Annexes"), or (c) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes

**Scheme**

the proposed scheme of reconstruction and voluntary winding up of the Company under section 110 of the Insolvency Act, as set out in Part 4 of this document

**Second General Meeting**

the general meeting of the Company convened for 9.45 a.m. on 13 February 2025 to be held at Wallacespace Spitalfields, 15-25 Artillery Lane, London E1 7LP or any adjournment of that meeting

**Shareholders or  
DGN Shareholders**

holders of Shares

**SIPP**

a UK self-invested personal pension scheme

**Sterling, £ or GBP**

pounds sterling, the lawful currency of the UK

**TCGA**

Taxation of Chargeable Gains Act 1992, as amended from time to time

**Transfer Agreement**

the agreement to be entered into between the Company (acting by its Liquidators), the Liquidators and Invesco Asia for the transfer of assets from the Company to Invesco Asia pursuant to the Scheme, the terms of which are summarised in paragraph 1 of Part 6 of this document

<b>TTE Instruction</b>	a transfer to escrow instruction (as described in the CREST Manual)
<b>UK or United Kingdom</b>	the United Kingdom of Great Britain and Northern Ireland
<b>UK AIFMD Laws</b>	<ul style="list-style-type: none"> <li>(i) the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) and any other implementing measure which operated to transpose the EU AIFM Directive into UK law before 31 January 2020 (as amended from time to time); and</li> <li>(ii) the UK versions of the EU AIFM Delegated Regulation and any other delegated regulations in respect of the EU AIFM Directive, each being part of UK law by virtue of the European Union (Withdrawal) Act 2018, as further amended and supplemented from time to time</li> </ul>
<b>UK SDRT</b>	stamp duty reserve tax
<b>uncertificated or in uncertificated form</b>	a share or other security title to which is recorded in the register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST
<b>Unconditional Tender Offers</b>	the triennial unconditional tender offers for up to 100 per cent, of the issued share capital of Invesco Asia at a four per cent. discount to prevailing NAV (debt at fair value, cum income), that will be introduced by Invesco Asia subject to the completion of the Scheme and IAT Shareholders passing the special resolution at the IAT General Meeting relating to amending the IAT Articles
<b>US Exchange Act</b>	the U.S. Exchange Act of 1934, as amended
<b>US Investment Company Act</b>	the U.S. Investment Company Act of 1940, as amended
<b>US Investor Representation Letter</b>	a representation letter that can be completed by US Shareholders that are both QIBs and Qualified Purchasers, the form of which is annexed to the IAT Prospectus;
<b>US Person</b>	a “U.S. person” as defined in Regulation S under the US Securities Act
<b>US Securities Act</b>	the U.S. Securities Act of 1933, as amended
<b>US Shareholder</b>	a holder of Shares that is in the United States or is a US Person
<b>VAT</b>	value added tax
<b>Winterflood</b>	Winterflood Securities Limited, a private limited company incorporated and registered in England and Wales with registered number 02242204 and having its registered office at Riverbank House, 2 Swan Lane, London, United Kingdom, EC4R 3GA

## ASIA DRAGON TRUST PLC

*(Incorporated and registered in Scotland with registered number SC106049)  
(An investment company within the meaning of section 833 of the Companies Act 2006)*

### NOTICE OF FIRST GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a general meeting of Asia Dragon Trust plc (the “**Company**”) will be held at 11.00 a.m. on 4 February 2025 at Wallacespace Spitalfields, 15-25 Artillery Lane, London E1 7LP for the purpose of considering and, if thought fit, passing the following resolutions as special resolutions:

### SPECIAL RESOLUTIONS

1. **THAT:**

- 1.1. with effect from the date on which the amendment to the Official List of the Financial Conduct Authority to reflect the reclassification of the ordinary shares of 20 pence each in the capital of the Company (the “**Shares**”) (the “**Amendment**”) becomes effective, but subject always to paragraph 1.5 of this resolution, each of the Shares in issue at the date of the passing of this resolution (other than any Shares held by the Company in treasury) shall be reclassified as shares the holder of which has (or is deemed to have) elected to have reclassified as shares with “A” rights or “B” rights as the case may be, (the “**Reclassified Shares**”), in such respective numbers as may be required to give effect to any election validly made (or deemed to have been made) by the holder of the Shares and otherwise in accordance with the terms of the Scheme set out in Part 4 of the circular to Shareholders of the Company dated 18 December 2024 of which this notice forms part (the “**Circular**”), a copy of which has been laid before the meeting and signed for the purpose of identification by the Chairman of the meeting;
- 1.2. for the purposes of this special resolution:
  - 1.2.1. to the extent any holder of Shares shall be deemed to have elected for, and under the terms of the Scheme will become entitled to receive, New IAT Shares, such Shares shall be reclassified as shares with “A” rights; and
  - 1.2.2. to the extent any holder of Shares shall have validly elected (or shall be deemed to have validly elected) for, and under the terms of the Scheme will become entitled to receive, cash pursuant to the Cash Option, such Shares shall be reclassified as shares with “B” rights;
- 1.3. each of the holders of the shares with the rights set out in paragraph 1.2 above shall have the respective rights set out in the Articles of Association of the Company as amended by this special resolution;
- 1.4. with effect from the date on which the Amendment becomes effective, but subject always to paragraph 1.5 of this resolution, the Articles of Association of the Company be and are hereby amended by:
  - 1.4.1. the insertion of the following as a new Article 5A:

**“RECLASSIFIED SHARES**

- 5A. (1) Words and expressions defined in the circular to shareholders of the Company dated 18 December 2024 (the “**Circular**”) shall bear the same meanings in this Article 5A, save where the context otherwise requires.
- (2) Every reference in these Articles to shares shall be construed as a reference to the ordinary shares of 20 pence each in the capital of the Company which are designated as shares with either “A” rights or “B” rights as set out in Article 5A(3) below. Notwithstanding anything to the contrary in these Articles, each class of share will have attached to it the respective rights and privileges and be subject to the respective limitations and restrictions set out in Article 5A(3).



- (3) The rights attaching to the Shares with “A” rights and the Shares with “B” rights shall be identical to each other, save that on a winding up of the Company in the circumstances set out in the Circular (subject to the Scheme becoming unconditional in all respects in accordance with its terms), the Reclassified Shares shall have the following additional rights, notwithstanding anything to the contrary in these Articles:
  - (a) the rights of holders of Shares with “A” rights in respect of the assets of the Company shall be satisfied by the issue to the holders thereof (or to the Liquidators as nominee on their behalf) of the number of New IAT Shares to which they shall be entitled in accordance with the Scheme together with their entitlement to any Relevant Cash (as defined below) in accordance with the Scheme;
  - (b) the rights of holders of Shares with “B” rights in respect of the assets of the Company shall be satisfied by the payment to the holders thereof of the amount of cash to which they shall respectively be entitled in accordance with the Scheme together with their entitlement to any Relevant Cash (as defined below) in accordance with the Scheme;
  - (c) any cash arising in the Company after the payment of the Cash Pool and transfer of the Rollover Pool and any surplus remaining in the Liquidation Pool (“**Relevant Cash**”) shall be distributed in accordance with the Scheme.”;

1.4.2. such further amendments to the Articles of Association of the Company as may be required to give effect to this Resolution; and

- 1.5. if the Scheme does not become unconditional by the end of the Second General Meeting, the amendments to the Articles of Association of the Company effected by paragraph 1.4 of this resolution shall be further amended such that the insertion of new Article 5A shall cease to have effect as from the close of that meeting (or any adjourned meeting), the reclassification of Shares provided for by this resolution shall be reversed and each Reclassified Share shall revert to being a Share ranking *pari passu* in all respects; and
- 1.6. the terms defined in the Circular have the same meanings in this special resolution, save where the context otherwise requires.
2. **THAT**, subject to: (i) the passing of resolution 1 at this meeting (or at any adjournment hereof) and it becoming unconditional; (ii) the Scheme becoming unconditional in accordance with its terms on or prior to 31 March 2025; and (iii) the passing at a general meeting of the Company convened for 13 February 2025 (or any adjournment thereof) of a resolution for the voluntary winding-up of the Company and the appointment of the Liquidators:
  - 2.1. the Scheme set out in Part 4 of the circular to Shareholders of the Company dated 18 December 2024 of which this notice forms part (the “**Circular**”), a copy of which has been laid before this meeting and signed for the purpose of identification by the Chairman of the meeting, be and is hereby approved and the liquidators of the Company when appointed (jointly and severally the “**Liquidators**”) be and hereby are authorised to implement the Scheme and to execute any document and do anything for the purpose of carrying the Scheme into effect;
  - 2.2. the Liquidators, when appointed, will be and hereby are authorised and directed:
    - 2.2.1. under this special resolution and the Articles of Association of the Company, as amended and as provided in resolution 1 above, and pursuant to section 110 of the Insolvency Act 1986, to enter into and give effect to the Transfer Agreement (in their personal capacity and on behalf of the Company) referred to in the Circular with Invesco Asia Trust plc (“**Invesco Asia**”) and in the form of the draft laid before the meeting and signed for the purposes of identification by the Chairman of the meeting with such amendments as the parties thereto may from time to time agree;
    - 2.2.2. to request Invesco Asia to allot and issue New IAT Shares in the capital of Invesco Asia, credited as fully paid, on the basis described in the Transfer Agreement for

distribution among the holders of ordinary shares in the capital of the Company entitled thereto under the Scheme (or to the Liquidators as nominee on their behalf) by way of satisfaction and discharge of their respective interests in so much of the property and assets of the Company as shall be transferred to Invesco Asia in accordance with the Transfer Agreement and with the Scheme;

- 2.2.3. to procure that the Rollover Pool be vested in Invesco Asia (or its nominees) on and subject to the terms of the Transfer Agreement;
  - 2.2.4. to realise for cash the undertaking, cash and other assets comprising the Cash Pool;
  - 2.2.5. to distribute cash among the holders of Shares with “B” rights by way of satisfaction and discharge of their interests in so much of the Company as shall comprise the Cash Pool in accordance with the Scheme;
  - 2.2.6. to convert into cash any assets in the Liquidation Pool and to raise the money to purchase the interest of any member of the Company who validly dissents from this resolution under section 111(2) of the Insolvency Act 1986 from the Liquidation Pool;
  - 2.2.7. to transfer any surplus in the Liquidation Pool in accordance with the Scheme; and
  - 2.2.8. to apply for the admission of the ordinary shares of 20 pence each in the capital of the Company to the closed-ended investment funds listing category of the Official List and to trading on the Main Market of the London Stock Exchange to be cancelled with effect from such date as the Liquidators may determine;
- 2.3. the Articles of Association of the Company be and are hereby amended by inserting the following as a new Article 148B:

**“148A. TRANSFER OR SALE UNDER SECTION 110 INSOLVENCY ACT 1986**

Words and expressions defined in the circular to shareholders of the Company dated 18 December 2024 (the “**Circular**”) shall bear the same meanings in this Article 148A. Notwithstanding the provisions of these Articles, upon the winding up of the Company in connection with the scheme of reconstruction and voluntary winding up (the “**Scheme**”) set out in Part 4 of the Circular, the Liquidators of the Company will give effect to the Scheme and will enter into and give effect to the Transfer Agreement with Invesco Asia Trust plc (as duly amended where relevant), a draft of which was tabled at the general meeting of the Company convened for 4 February 2025 by the notice attached to the Circular, in accordance with the provisions of this Article 148A, and the holders of Shares with “A” rights will be entitled to receive New IAT Shares on the terms of the Scheme.”; and

- 2.4. the terms defined in the Circular have the same meanings in this special resolution, save where the context otherwise requires.

*Registered office:*  
1 George Street  
Edinburgh EH2 2LL

18 December 2024

*By Order of the Board*  
**abrdn Holdings Limited**  
*Company Secretary*

**Notes:**

- 1. As a member you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at the General Meeting. A proxy need not be a member of the Company but must attend the General Meeting to represent you. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. You can only appoint a proxy using the procedure set out in these notes and the notes to the Form of Proxy.
- 2. To be valid the PINK Form of Proxy or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed (or a notarially certified copy thereof), must be sent to the Registrar, using the enclosed blue flashed reply-paid envelope or in an envelope addressed to Freepost RTHJ-CLLL-KBKU, Equiniti, Aspect House, Spencer Road, Lancing, BN99 8LU, so as to arrive not less than 48 hours (excluding any part of a day that is not a Business Day) before the time fixed for the General Meeting or any adjourned General Meeting.
- 3. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting by using the procedures described in the CREST Manual and/or by logging on to

the website: [www.euroclear.com](http://www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

4. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & International Limited’s specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Registrar (ID RA19) no later than 48 hours (excluding any part of a day that is not a Business Day) before the time of the General Meeting or any adjournment of the General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST application host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
5. CREST members and, where applicable, their CREST sponsors, or voting service provider(s) should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
6. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
7. As an alternative to appointing a proxy using the Form of Proxy or CREST, members can appoint a proxy online by visiting [www.shareview.co.uk](http://www.shareview.co.uk) and registering for a Shareview portfolio by following the online instructions. It is important that members register for a Shareview portfolio with enough time to complete the registration and authentication process. Members who have already registered with Equiniti’s online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) using their user ID and password. Once logged in, click “View” on the “My Investments” page, click on the link to vote and then follow the on-screen instructions. Electronic proxy appointments must be received by the Registrar by no later than 48 hours (excluding any part of a day that is not a Business Day) before the time of the General Meeting or any adjournment of the General Meeting.
8. Members that are institutional investors may be able to appoint a proxy electronically *via* the Proximity platform, a process which has been agreed by the Company and approved by the Registrar. Proxy appointments submitted *via* Proximity must be received by the Registrar by no later than 48 hours (excluding any part of a day that is not a Business Day) before the time of the General Meeting or any adjournment of the General Meeting. Before members can appoint a proxy *via* this process, members will need to have agreed to Proximity’s associated terms and conditions. It is important that members read these carefully as they will be bound by them and they will govern the electronic appointment of proxy appointments submitted *via* Proximity.
9. The return of a completed Form of Proxy or other instrument appointing a proxy will not prevent you attending the General Meeting and voting in person if you wish.
10. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and section 311 of the Companies Act, the Company specifies that the right to vote at the General Meeting is determined by reference to the Register at 6.30 p.m. on the day which is two Business Days prior to the date of the General Meeting. Changes to entries on the Register after that time shall be disregarded in determining the rights of any member to attend and vote at the General Meeting.
11. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.
12. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a “**Nominated Person**”) may, under an agreement between them and the shareholder by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies in Note 1 above does not apply to Nominated Persons. The rights described in that Note can only be exercised by shareholders of the Company.

13. Shareholders who have general queries about the General Meeting should contact the Company Secretary in writing. Members are advised that any telephone number, website or email address which may be set out in this notice of General Meeting or in any related documents (including the Circular and relevant Form of Proxy) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.
14. Information regarding the General Meeting, including information required by section 311A of the Companies Act, is available from the Company's website at [www.asiadrakontrust.co.uk](http://www.asiadrakontrust.co.uk).
15. Under Section 319A of the Companies Act 2006, the Company must answer any question relating to the business being dealt with at the General Meeting put by a member attending the General Meeting unless: (i) answering the question would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
16. As at close of business on 12 December 2024 (being the latest practicable date prior to publication of this document), the Company's issued share capital comprised 156,225,283 Ordinary shares of 20 pence each and there were a further 56,282,064 Ordinary shares held in treasury. Each Ordinary share carries the right to one vote at a general meeting of the Company and therefore the total number of voting rights in the Company as at close of business on 12 December 2024 is 156,225,283. Treasury shares represented 36.0 per cent. of the total issued Ordinary share capital (excluding treasury shares) of the Company as at 12 December 2024.
17. Any person holding 3 per cent. or more of the total voting rights of the Company who appoints a person other than the Chairman of the General Meeting as their proxy will need to ensure that both they and their proxy complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.
18. A copy of the proposed new articles of association of the Company, together with a copy showing all of the proposed changes to the existing articles of association, will be available for inspection at the National Storage Mechanism which is located at <https://data.fca.org.uk/a/nsm/nationalstoragemechanism>, and on the Company's website ([www.asiadrakontrust.co.uk](http://www.asiadrakontrust.co.uk)), from the date of this notice of General Meeting until the close of the General Meeting, and will also be available for inspection at the venue of the General Meeting from 15 minutes before and during the General Meeting.

## ASIA DRAGON TRUST PLC

*(Incorporated and registered in Scotland with registered number SC106049)  
(An investment company within the meaning of section 833 of the Companies Act 2006)*

### NOTICE OF SECOND GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a general meeting of Asia Dragon Trust plc (the “**Company**”) will be held at 9.45 a.m. on 13 February 2025 at Wallacespace Spitalfields, 15-25 Artillery Lane, London E1 7LP for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution:

### SPECIAL RESOLUTION

**THAT:**

- (A) subject always to the fulfilment of the conditions (other than the passing of this special resolution) set out in paragraph 14 of the Scheme (the “**Scheme**”) contained in Part 4 of the circular to the shareholders of the Company dated 18 December 2024, a copy of which has been laid before this meeting and signed for the purpose of identification by the Chairman thereof (the “**Circular**”), and with effect from the conclusion of this meeting;
- (i) the Company be and is hereby wound up voluntarily under the provisions of the Insolvency Act 1986 and Derek Neil Hyslop and Richard Peter Barker, both licensed insolvency practitioners of Ernst & Young LLP, be and they are hereby appointed joint liquidators (the “**Liquidators**”) of the Company for the purposes of such winding up and distributing the assets of the Company in accordance with the Scheme and any power conferred on them by law, the Articles of Association of the Company or this resolution, may be exercised by them jointly or by each of them alone;
  - (ii) the remuneration (plus VAT) of the Liquidators be determined by reference to the time properly spent by them and their staff in attending to matters arising prior to and during the winding up of the Company (including, without limitation, the implementation of the Scheme and any matters outside the statutory duties of the Liquidators and undertaken at the request of the members or a majority of them) and the Liquidators be and are hereby authorised to draw such remuneration monthly or at such longer intervals as they may determine and to pay any expenses properly incurred by them to give effect to the Scheme;
  - (iii) the Company’s books and records be held by its Company Secretary to the order of the Liquidators until the expiry of 12 months after the date of dissolution of the Company, when they may be disposed of (save for financial and trading records which shall be kept for a minimum of six years following the vacation of the Liquidators from office);
  - (iv) the Liquidators be empowered and directed to carry into effect the provisions of the Articles of Association as amended by the resolutions set out in the notice of the First General Meeting of the Company contained in the Circular; and
  - (v) the Liquidators be and are hereby authorised pursuant to section 165 of the Insolvency Act 1986 to exercise the powers set out in Part 1 of Schedule 4 to that Act as may be necessary or desirable in their judgment, acting jointly and severally, to give effect to the Scheme and/or to carry out the winding up of the Company; and
- (B) terms defined in the Circular have the same meanings in this resolution, save where the context otherwise requires.

*Registered office:*  
1 George Street  
Edinburgh EH2 2LL

18 December 2024

*By Order of the Board*  
**abrdn Holdings Limited**  
*Company Secretary*

**Notes:**

1. As a member you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at the General Meeting. A proxy need not be a member of the Company but must attend the General Meeting to represent you. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. You can only appoint a proxy using the procedure set out in these notes and the notes to the Form of Proxy.
2. To be valid the GREEN Form of Proxy or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed (or a notarially certified copy thereof), must be sent to the Registrar, using the enclosed blue flashed reply-paid envelope or in an envelope addressed to Freepost RTHJ-CLLL-KBKU, Equiniti, Aspect House, Spencer Road, Lancing, BN99 8LU, so as to arrive not less than 48 hours (excluding any part of a day that is not a Business Day) before the time fixed for the General Meeting or any adjourned General Meeting.
3. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting by using the procedures described in the CREST Manual and/or by logging on to the website: [www.euroclear.com](http://www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
4. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & International Limited’s specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Registrar (ID RA19) no later than 48 hours (excluding any part of a day that is not a Business Day) before the time of the General Meeting or any adjournment of the General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST application host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
5. CREST members and, where applicable, their CREST sponsors, or voting service provider(s) should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
6. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
7. As an alternative to appointing a proxy using the Form of Proxy or CREST, members can appoint a proxy online by visiting [www.shareview.co.uk](http://www.shareview.co.uk) and registering for a Shareview portfolio by following the online instructions. It is important that members register for a Shareview portfolio with enough time to complete the registration and authentication process. Members who have already registered with Equiniti’s online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) using their user ID and password. Once logged in, click “View” on the “My Investments” page, click on the link to vote and then follow the on-screen instructions. Electronic proxy appointments must be received by the Registrar by no later than 48 hours (excluding any part of a day that is not a Business Day) before the time of the General Meeting or any adjournment of the General Meeting.
8. Members that are institutional investors may be able to appoint a proxy electronically *via* the Proximity platform, a process which has been agreed by the Company and approved by the Registrar. Proxy appointments submitted *via* Proximity must be received by the Registrar by no later than 48 hours (excluding any part of a day that is not a Business Day) before the time of the General Meeting or any adjournment of the General Meeting. Before members can appoint a proxy *via* this process, members will need to have agreed to Proximity’s associated terms and conditions. It is important that members read these carefully as they will be bound by them and they will govern the electronic appointment of proxy appointments submitted *via* Proximity.



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12. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a “**Nominated Person**”) may, under an agreement between them and the shareholder by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in Note 1 above does not apply to Nominated Persons. The rights described in that Note can only be exercised by shareholders of the Company.
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14. Information regarding the General Meeting, including information required by section 311A of the Companies Act, is available from the Company's website at [www.asiadragnet.co.uk](http://www.asiadragnet.co.uk).
15. Under Section 319A of the Companies Act 2006, the Company must answer any question relating to the business being dealt with at the General Meeting put by a member attending the General Meeting unless: (i) answering the question would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
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