abrdn Diversified Income and Growth plc

Annual Report 30 September 2024

abrdndiversified.co.uk

Contents

Performance Highlights

Return of capital per Ordinary share

38.10p

2023 N/A

Dividends paid per Ordinary share[A]

5.91p*

2023 5.64p

* including a special dividend of 1.65p

Discount to net asset value (par basis)[B]

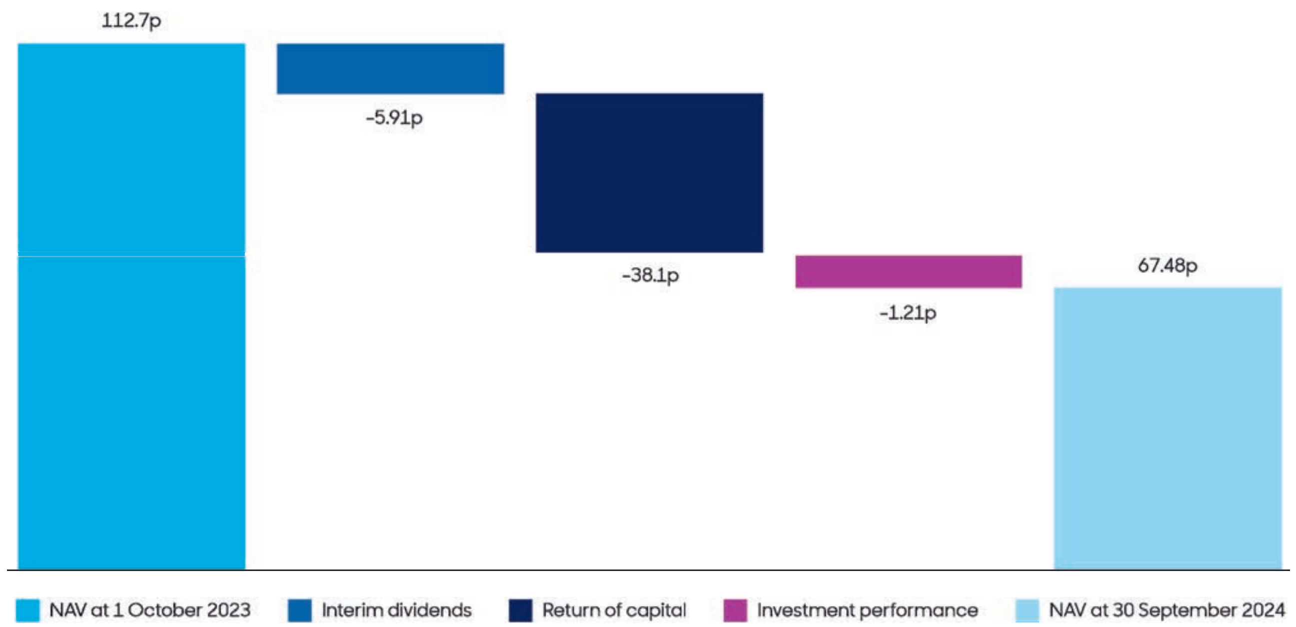
34.1%

2023 25.8%

[A] The dividends on Ordinary shares paid to shareholders are set out in more detail in note 8 on page 72, alongside those paid and proposed in respect of the financial year. 2024 includes a special dividend of 1.65p (2023 – nil).
[B] Considered to be an Alternative Performance Measure (see page 99 for more information).

Net Asset Value Bridge

At 30 September



Dividends and Highlights

Dividends Declared

	Rate	xd date	Record date	Payment date
First interim 2024	**1.42p**	**7 March 2024**	**8 March 2024**	**27 March 2024**
Second interim 2024	**1.95p**	**26 September 2024**	**27 September 2024**	**24 October 2024**
2024	**3.37p**			
First interim 2023	1.42p	9 March 2023	10 March 2023	3 April 2023
Second interim 2023	1.42p	8 June 2023	9 June 2023	6 July 2023
Third interim 2023	1.42p	21 September 2023	22 September 2023	19 October 2023
Fourth interim 2023	1.42p	21 December 2023	22 December 2023	22 January 2024
Special 2023	1.65p	2 November 2023	3 November 2023	1 December 2023
2023	7.33p			

	2024	2023
Total dividends paid per Ordinary share in the financial year[A]	**5.91p**	5.64p
Return of capital to shareholders per Ordinary share in financial year[B]	**38.10p**	–

[A] 2024 consists of a third interim 2023 of 1.42p, fourth interim dividend 2023 of 1.42p, special dividend 2023 of 1.65p and first interim dividend 2024 of 1.42p. 2023 consists of a third interim dividend 2022 of 1.40p, fourth interim dividend 2022 of 1.40p, first interim dividend 2023 of 1.42p and second interim 2023 of 1.42p.
[B] Return of capital by way of B share scheme, being £114,768,000 per the Statement of Changes in Equity on page 63 divided by the number of Ordinary shares in issue per note 15 on page 79.

Highlights

	2024	2023	% change
Total assets less current liabilities (before deducting prior charges)	**£203,306,000**	£355,264,000	–42.8
Total shareholders' funds (Net Assets)	**£203,306,000**	£339,534,000	–40.1
Ordinary share price (mid market)	**44.50p**	83.60p	–46.8
Net asset value per Ordinary share (debt at par value)[A]	**67.48p**	112.70p	–40.1
Discount to net asset value on Ordinary shares (debt at par value)[B]	**34.1%**	25.8%	
Net (cash)/gearing (debt at par value)[B]	**(11.0)%**	(1.6)%	
Ongoing charges ratio (including look-through costs)[B]	**2.36%**	1.74%	

[A] See NAV bridge on page 2 for more detail on the components of the change during the year.
[B] Considered to be an Alternative Performance Measure. Details of the calculation can be found on pages 99 and 100.

	2024	2023	% change
Net revenue return after taxation	**£10,913,000**	£13,252,000	–17.7
Revenue return per share	**3.62p**	4.35p	–16.8
Dividends per Ordinary share	**3.37p**	7.33p	

Further information on interim dividends, including those paid during the period, may be found under Note B in the above "Dividends Declared" table and in Note 8 to the Financial Statements on page 72.

Strategic Report

Chairman's Statement

Approval of the Managed Wind-Down of the Company

Following an extensive review of the Company's strategy and discussions with shareholders, a circular was issued by the Company in February 2024 setting out the Board's recommendation for a new investment objective and policy as part of proposals for a Managed Wind-Down of the Company. The necessary resolutions were approved by shareholders at the General Meeting held on 27 February 2024.

New investment objective and policy

The Company's new investment objective is to conduct an orderly realisation of its assets in a manner that seeks to optimise the value of its investments whilst progressively returning cash to shareholders in a timely manner. Full details of the policy may be found on page 7.

Initial return of capital to shareholders

The Board set out its proposals in a circular, on 17 June 2024, to return approximately £115 million, representing approximately 38.1p per Ordinary share, to shareholders (the "Initial Return of Capital"), pursuant to a bonus issue, on a *pro rata* basis, of B shares to all shareholders, followed by the redemption of such B shares (the "B Share Scheme"). The circular, which may be viewed on the Company's website at **abrdndiversified.co.uk**, contained the details of the Initial Return of Capital. This followed the Court approval, obtained on 7 June 2024, for the Company to reduce its share capital and cancel the amounts standing to the credit of its share premium account and capital redemption reserve. This process allowed the Company to set up a special distributable reserve and provided the Company with sufficient flexibility and distributable reserves to deliver the Initial Return of Capital as planned.

The introduction of the B Share Scheme was approved by shareholders at a General Meeting held on 3 July 2024 and funds were sent on 10 July 2024 to uncertificated shareholders through CREST, or via cheque or electronic payment to certificated Shareholders. Ordinary shareholders should note that no share certificates were created in respect of the B shares which were issued and almost immediately redeemed with no action required to be taken by Shareholders.

Over the year ended 30 September 2024 shareholders received 38.1p per Ordinary share by way of capital return via the B Share Scheme, as described above, together with dividends, as more fully set out below.

Dividends

Dividends received by shareholders during the year ended 30 September 2024 amounted to 5.91p per Ordinary share, including a special dividend of 1.65p per share. In relation to the financial year ended 30 September 2024, two interim dividends were declared out of net income: 1.42p per share, paid to shareholders on 27 March 2024 and 1.95p per share, paid to shareholders on 24 October 2024. These are more fully explained in note 8 on page 72.

Following the June 2024 Court approval, and the payment of the interim dividend in October 2024, it is likely that dividends will be paid in smaller, less regular, amounts principally for the purpose of maintaining the Company's investment trust status while capital will be returned progressively to shareholders by the most tax-efficient mechanism available, which may include further B share issues.

The Board intends to continue to pay a sufficient level of dividend to ensure that the Company will not retain more than 15 per cent. of its income in an accounting period so as to maintain the Company's investment trust status during the Managed Wind-Down to avoid incurring capital gains within the closed ended structure. The Directors will declare dividends based on the Company's net income but the quantum and timing of any dividends in future will be at the sole discretion of the Board.

Revenue available to the Company has decreased following the sale of the public markets assets and will reduce further as the private markets assets are realised. It is expected that, at a minimum, the Company will declare a dividend each September, normally payable in October, to maintain investment trust status.

Further returns of capital to shareholders

Having sold substantially all public market assets and returned funds to shareholders, the Board anticipates further returns of capital as value is realised from the Company's private markets portfolio, as follows:

- approximately £94 million of the Company's private markets portfolio (valued as at 30 September 2024) is expected to mature between 2025 and 2027 ("Tranche 1").
- the remaining, approximately £88 million of the private markets portfolio (valued as at 30 September 2024) is expected to mature between 2029 and 2033 ("Tranche 2").

Chairman's Statement

Continued

It is intended that the proceeds from both Tranche 1 and Tranche 2 will be returned to shareholders in a timely and tax-efficient manner as investments mature or sales opportunities arise, after taking account of undrawn commitments to existing investments. Further information on portfolio realisations may be found in the Investment Manager's Report on page 17 to 19.

Share Capital

Following the approval by the Court, on 7 June 2024, of the reduction in the Company's share capital, the nominal value per Ordinary share was reduced from 25p to 1p. This is an accounting mechanism and has no impact on the share price of the Company.

No shares were bought back by the Company during the year ended 30 September 2024, resulting in 301,265,952 Ordinary 1p shares with voting rights and another 22,485,854 Ordinary 1p shares held in treasury, as at 30 September 2024.

Further information on the apportionment ratio, which relates to the tax treatment for Shareholders of the proceeds arising from the redemption of the B shares, may be found on page 107.

Gearing and 6.25% Bonds 2031 repayment

On 9 April 2024, the Company redeemed and cancelled the remaining £16,096,000 of its 6.25% Bonds due 2031 (the "Bonds"). As announced on 8 March 2024, the redemption price was 114.983%, which was calculated in accordance with the terms of the trust deed of the Bonds. The total cost of the redemption, including accrued interest, was £18,587,000. As a result, the Company has no further Bonds outstanding nor any other borrowings.

Board Structure

Following approval of the Managed Wind-Down, the Board has reviewed the Board Structure and, mindful of the operating costs of the Company, deems it appropriate to maintain the number of Directors at four; this is more fully set out in the Directors' Report on page 37.

The Board aims to comply with the requirements of the AIC Corporate Governance Code (the "AIC Code") where reasonable and practically possible but recognises that the requirements of the AIC Code are not fully met with regard to gender and diversity targets.

Further to the Managed Wind-Down, and recognising that the portfolio consists solely of private markets investments, the Board remains satisfied with this assessment, reflecting the balance of skills and expertise exhibited by the current Directors, and does not propose any immediate changes to the composition of the Board.

Continuation vote

A circular was issued to shareholders on 5 December 2024 (which is available from the Company's website at **abrdndiversified.co.uk**) and, at a general meeting on 23 December 2024, shareholders approved the amendment to the Company's Articles of Association. This removed the requirement for the Company to hold an annual continuation vote as well as providing the Board with authority to seek Court approval for the cancellation of the Company's capital redemption reserve which was created as a result of the B Share Scheme in relation to the Initial Return of Capital. The cancellation of this reserve will create a distributable reserve to support the progressive return of cash to shareholders in the form of capital.

Outlook

The focus of the Board and Investment Manager is on seeking realisation of portfolio investments in a manner that maximises value to shareholders and to return capital to shareholders in the most timely and efficient way possible.

Davina Walter
Chairman
20 January 2025

Overview of Strategy

Managed Wind-Down of the Company

Following an extensive review of the Company's strategy and discussions with shareholders, a circular was issued by the Company in February 2024 setting out the Board's recommendation for a new investment objective and policy as part of proposals for a Managed Wind-Down of the Company. These proposals were approved by shareholders at a General Meeting held on 27 February 2024.

Investment Objective

With effect from 27 February 2024, the Company's investment objective is to conduct an orderly realisation of its assets in a manner that seeks to optimise the value of the Company's investments whilst progressively returning cash to shareholders in a timely manner.

Prior to 27 February 2024, the Company's investment objective was to seek to provide income and capital appreciation over the long term through investment in a globally diversified multi-asset portfolio. Further details of the former investment policy may be found on pages 11 and 12 of the Company's Annual Report for the year ended 30 September 2023.

Investment Policy

With effect from 27 February 2024, the Company's investment policy is to effect an orderly realisation of its assets in a manner that is consistent with the principles of good investment management. This process might include sales of individual assets or running off the assets in accordance with their existing terms, or a combination of both.

The Company will cease to make any new investments or to undertake capital expenditure except where, in the opinion of both the Board and the investment manager:

- the investment is a follow-on investment made in connection with an existing asset in order to comply with the Company's pre-existing obligations; or
- failure to make the follow-on investment may result in a breach of contract or applicable law or regulation by the Company; or
- the investment is considered necessary to protect or enhance the value of any existing investments or to facilitate orderly disposals.

Any cash received by the Company as part of the realisation process prior to its distribution to Shareholders will be held by the Company as cash on deposit and/or in liquid cash equivalents securities (including direct investment in treasuries and/or gilts, funds holding such investments, money market or cash funds and/or short-dated corporate bonds or funds that invest in such bonds) pending its return to shareholders.

No more than 15 per cent. of the Company's total assets may be invested (at the time of investment) in any single cash-equivalent fund or instrument, other than in treasuries or gilts (which shall be unconstrained).

While the Company redeemed its 6.25% Bonds 2031 in April 2024 and is currently ungeared, it may use gearing, in the form of borrowings (including secured bonds) during the Managed Wind-Down, as and when required.

The Company's articles of association contain a borrowing limit equal to the value of its adjusted total of capital and reserves and borrowings have not normally been expected to exceed 20 per cent. of shareholders' funds. It is not anticipated that the Company will take on any new borrowings, but this remains possible for the efficient management of the Company (such as through a revolving credit facility or an overdraft).

The Company may use derivatives for efficient portfolio management, that is, to reduce, transfer or eliminate risk in its investments, including protection against currency risks.

Management and Delivery of the Investment Objective

The Directors are responsible for determining the Company's investment objective and investment policy. Day-to-day management of the Company's assets has been delegated to abrdn Fund Managers Limited (the "Manager"). In turn, the investment management of the Company has been delegated by the Manager to abrdn Investments Limited (the "Investment Manager"). Both companies are subsidiaries of abrdn plc.

Return of Capital to Shareholders

After careful consideration, the Board determined that the fairest and most efficient way of returning substantial amounts of cash to Shareholders was by means of a bonus issue of redeemable B Shares which would then be immediately redeemed by the Company in consideration for a cash payment equal to the amount treated as paid up on the issue of the B Shares.

Overview of Strategy

Continued

A circular was issued by the Company in June 2024 setting out a B Share Scheme, under which cash would be returned to Shareholders without any further action being required by Shareholders.

Following approval of the B Share Scheme by Shareholders at a General Meeting held on 3 July 2024, the Company announced that the Board resolved to return approximately £115m in aggregate to Shareholders via an issue of B shares. B Shares of one penny each were paid up from the Company's reserves and issued to all Shareholders by way of a bonus issue on the basis of 800 B Shares for every 21 Ordinary Shares held at the Record Date of 4 July 2024. The B Shares were issued on 5 July 2024 and immediately redeemed at one penny per B Share. The proceeds from the redemption of the B Shares, which were equivalent to 38.1 pence per Ordinary Share, were sent on 10 July 2024 to uncertificated Shareholders through CREST or via cheque or electronic payment to certificated Shareholders. The apportionment ratio, which relates to the tax treatment for Shareholders of the proceeds arising from the redemption of the B shares, may be found on page 107.

Further information on the Company's remaining portfolio may be found in the Investment Manager's Report on pages 17 to 19.

Key Performance Indicators ("KPIs")

The Board uses a number of financial performance measures to assess the Company's success in achieving its objective and determining its progress in pursuing its investment policy. The primary KPIs are shown in the table below.

KPI	Description
Return of Capital	The quantum and timing of any future return(s) of capital to shareholders under a B Share Scheme (if any), or alternative mechanism, will be at the discretion of the Board and will be dependent on the realisation of the Company's investments and its liabilities, general working capital requirements and the amount and nature (from a tax perspective) of its distributable reserves from time to time.
Retention of investment trust status under section 1158 of Corporation Tax Act 2009	Continue to pay sufficient dividends to ensure the Company retains its investment trust status.
Ongoing charges	The ongoing charges ratio has been calculated in accordance with guidance issued by the Association of Investment Companies (the "AIC") as the total of investment management fees and administrative expenses and expressed as a percentage of the average net asset values with debt at fair value throughout the year. This includes the Company's share of costs of holdings in investment companies on a look-through basis. The Board reviews the ongoing charges and monitors the expenses incurred by the Company. The Company's ongoing charges for the year, and the previous year, are disclosed on page 3 while the basis of calculation is set out on page 100.

Principal Risks and Uncertainties

The Board has in place a robust process to assess and monitor the principal and emerging risks facing the Company. A core element of this is the Company's risk controls self-assessment ("RCSA"), which identifies the risks facing the Company and assesses the likelihood and potential impact of each risk and the quality of the controls in place to mitigate the risk. A residual risk rating is then calculated for each risk based on the outcome of this assessment and plotted on a risk heat-map. This approach allows the effect of any mitigating procedures to be reflected in the final assessment. The RCSA, its method of preparation and the operation of the key controls within the Manager's and third party service providers' systems of internal control are reviewed on a regular basis by the Audit Committee.

In order to gain a more comprehensive understanding of the Manager's and other third party service providers' risk management processes and how these apply to the Company's business, the Manager's internal audit department presents to the Audit Committee setting out the results of testing performed in relation to the Manager's internal control processes. The Audit Committee also periodically receives presentations from the Manager's risk and compliance and internal audit teams and reviews ISAE3402 reports from the Manager and from the Company's Depositary (The Bank of New York Mellon (International) Limited). The custodian is appointed by the Company's Depositary and does not have a direct contractual relationship with the Company.

Further to the approval by shareholders of the Managed Wind-Down of the Company, the Audit Committee has undertaken a comprehensive review of the RCSA.

The Audit Committee carried out a robust assessment of these revised risks, which include those that would threaten its business model, future performance, solvency or liquidity. The Board is confident that the procedures which the Company has in place are sufficient to ensure that the necessary monitoring of risks and controls has been carried out during the year ended 30 September 2024.

The Board is monitoring the current heightened geopolitical risks in the form of the Russian invasion of Ukraine, conflicts in the Middle East and rising tension between China and Taiwan.

The Board is also conscious of the elevated threat posed by climate change and continues to monitor, through its Investment Manager, the potential risk that its portfolio investments may fail to adapt to the requirements imposed by climate change further details of which may be found under 'Market Risk'.

Risk	Mitigating Action
Performance risk (increased) The Board is responsible for determining the investment policy to fulfil the Company's objectives and for monitoring the performance of the Company's Investment Manager and the strategy adopted. Further to the Managed Wind-Down, the Company invests in unlisted investments (such as private credit, real estate, infrastructure, natural resources, private equity and alternatives). These investments may be relatively illiquid and it may be difficult for the Company to realise these investments over a short time period.	To manage these risks, the Board reviews the progress made by the Company with regards to Managed Wind-Down.
Regulatory risk (unchanged) The Company operates as an investment trust in accordance with Chapter 4 of Part 24 of the Corporation Tax Act 2010. As such, the Company is exempt from capital gains tax on the profits realised from the sale of its investments. Following authorisation under the Alternative Investment Fund Managers Directive ("AIFMD"), the Company and its appointed AIFM are subject to the risk that the requirements of this Directive are not correctly complied with.	The Investment Manager monitors investment movements, the level and type of forecast income and expenditure and the amount of proposed dividends, if any, to ensure that the provisions of Chapter 4 of Part 24 of the Corporation Tax Act 2010 are not breached and the results are reported to the Board at each meeting. The Board and the AIFM also monitor changes in government policy and legislation which may have an impact on the Company.

Overview of Strategy

Continued

Risk	Mitigating Action
Operational risk (unchanged) In common with most other investment trust companies, the Company has no employees. The Company therefore relies upon the services provided by third parties and is dependent on the control systems of the Manager and the Depositary.	The security of the Company's assets, dealing procedures, accounting records and maintenance of regulatory and legal requirements depends on the effective operation of the systems in place with third parties. These systems are regularly tested and monitored throughout the year, including in relation to cyber risk, through their industry-standard controls reports which provide assurance on the effective operation of internal controls. The controls reports are assessed independently by their reporting accountants.
Market risk (unchanged) Market risk arises from volatility in the prices or valuation of the Company's investments. It represents the potential loss the Company might suffer through holding investments in the face of negative market movements. The Company invests in global assets across a range of countries and changes in general economic and market conditions in certain countries, such as interest rates, exchange rates, rates of inflation, industry conditions, competition, political events and trends, tax laws, national and international conflicts, economic sanctions and other factors can also substantially and adversely affect the securities and, as a consequence, the Company's prospects and share price. Current heightened geopolitical risks are evident in the form of the Russian invasion of Ukraine, conflicts in the Middle East and rising tension between China and Taiwan. The longer term emergence of the effects on investee companies of climate change, and the regulatory environment around this present a further risk.	The Board considers the diversification of the portfolio, asset allocation, stock selection, unlisted investments and levels of gearing on a regular basis and has set investment restrictions and guidelines which are monitored and reported on by the Investment Manager. The Board monitors the implementation and results of the investment process with the Investment Manager. The Board assesses climate change as an emerging risk in terms of how it develops, including how investor sentiment is evolving towards climate change within investment portfolios, and will consider how the Company may mitigate this risk, any other emerging risks, if and when they become material.
Financial risks (increased) The Company's investment activities expose it to a variety of financial risks which include foreign currency risk and interest rate risk. Following the realisation of the listed alternative investments, to fund the return of capital to shareholders in July 2024, the Board determined that the liquidity risk of the Company had increased, reflecting the less liquid nature of the remaining investment portfolio.	Further details are disclosed in note 18 to the financial statements, together with a summary of the policies for managing these risks. The Board reviews cashflow forecasts prepared by the Manager, at each meeting, to monitor the Company's liquidity. The Directors have discretion to vary any planned returns of capital to ensure that the Company retains sufficient liquidity to meet undrawn commitments due to investee companies.

The Board regularly reviews emerging risks facing the Company, which are identified by a variety of means, including advice from the Company's professional advisors, the AIC, and Directors' knowledge of markets, changes and events. A failure to have in place appropriate procedures to assist in identifying emerging risks may cause reactive actions and, in the worst case, could cause the Company to become unviable or otherwise fail.

The principal risks associated with an investment in the Company's shares can be found in the pre-investment disclosure document ("PIDD") published by the AIFM, which is available from the Company's website: **abrdndiversified.co.uk**

Gearing

As at 30 September 2024, the Company had no structural gearing in place (2023 – gearing of £16,096,000). On 9 April 2024, the Company repaid its £16,096,000 6.25% Bonds 2031.

Board Diversity

The Board is fully supportive of all aspects of diversity and the importance of having a range of skilled, experienced individuals with relevant knowledge in order to allow it to fulfil its obligations. Further information on Board Diversity may be found in the Directors' Report, on page 37.

Promoting the Company

The Board recognises the importance of promoting the Company to investors both for improving liquidity and enhancing the value and rating of the Company's shares. The Board has participated in a promotional programme (the "Programme") run by abrdn on behalf of a number of investment trusts under its management. The Programme has been modified by the Board in the context of the Managed Wind-Down of the Company and the primary focus now is ensuring effective communication with existing shareholders.

Environmental, Social and Human Rights Issues

The Company has no employees as the Board has delegated the day to day management and administrative functions to the Manager. There are therefore no disclosures to be made in respect of employees. The Company's socially responsible investment policy is set out below and the Board maintains oversight and retains responsibility for the policy.

Socially Responsible Investment Policy

The Board reviews the Manager's policy that encourages companies in which investments are made to adhere to best practice in the area of corporate governance and socially responsible investing. They believe that this can best be achieved by entering into a dialogue with company management to encourage them, where necessary, to improve their policies in both areas. The Manager's ultimate objective, however, is to deliver superior investment returns for its clients. Accordingly, whilst the Manager will seek to favour companies which pursue best practice in these areas, this should not be to the detriment of the return on the investment portfolio.

UK Stewardship Code and Proxy Voting as an Institutional Shareholder

Responsibility for actively monitoring the activities of portfolio companies has been delegated by the Board to the Manager which has sub-delegated that authority to the Investment Manager. The Manager's response to the FRC's Stewardship Code may be found on its website at: **https://www.abrdn.com/en-gb/intermediary/sustainable-investing/active-ownership**

Modern Slavery Act

Due to the nature of the Company's business, being an investment company that does not offer goods and services to customers, the Board considers that it is not within the scope of the Modern Slavery Act 2015 because it has no turnover. The Company is therefore not required to make a slavery and human trafficking statement.

However, the Board maintains oversight of its third party suppliers and considers that, as these comprise predominantly professional advisers and service providers in the financial services industry, the risk is likely to be low in relation to this matter.

Global Greenhouse Gas Emissions

The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. However, at the portfolio level, the Manager engages on environmental issues with underlying investments.

Viability Statement

In accordance with the provisions of the UKLA's Listing Rules and the FRC's UK Corporate Governance Code, the Directors have assessed the prospects of the Company over a longer period than the 12 months required by the "Going Concern" provision. The Board conducted this review for the period up to the AGM in 2028, being a three year period from the date of shareholders' approval of this Annual Report. The three year review period was selected because it is aligned with the Board's anticipated timescale for the completion of the next phase of the Managed Wind-Down of the Company. The Board considers that this period reflects a balance between looking out over a medium term horizon and the inherent uncertainties of looking out further than three years, given the profile of the Company's private markets investments.

Overview of Strategy

Continued

In assessing the viability of the Company over the review period, the Board has focused upon the following factors:

- the principal risks and uncertainties detailed on pages 9 and 10 and the steps taken to mitigate these risks;
- the relevance of the Company's investment objective and investment policy;
- the return of capital to shareholders; and
- the level of demand for the Company's shares.

The three-year review considers the Company's cash flow, involving both capital commitments and cash distributions, as well as other key financial ratios over the period. The three-year review also makes certain assumptions about the normal level of expenditure likely to occur and considers the impact on the financing facilities of the Company. Whilst the financial statements have been prepared on a going concern basis, the Board considers that there is a material uncertainty in respect of the Managed Wind-Down of the Company (see note 2 (a) on page 65 for related basis of preparation disclosures).

In making this assessment, the Board has considered in particular the potential longer term impact of a large economic shock, a period of increased stock market volatility and/or markets at depressed levels, a significant reduction in the liquidity of the portfolio or changes in investor sentiment or regulation, and how these factors might affect the Company's prospects and viability in the future. The Board reviewed a cash flows analysis in reaching its conclusions, but recognises that the Company's operating expenses are significantly lower than its total income.

The Board has also considered a number of financial metrics, including:

- the level of current and historic ongoing charges incurred by the Company;
- the share price discount to NAV;
- the level of income generated by the Company;
- future income forecasts; and
- the liquidity of the Company's portfolio and timing of expected realisation of assets.

Considering the liquidity of the portfolio, arising from realisation of assets, remaining capital commitments, and the largely fixed overheads which comprise a small percentage of net assets, the Board has concluded that, even in exceptionally stressed operating conditions, the Company would be able to meet its ongoing operating costs as they fall due.

Taking into account the Company's current position and the potential impact of its principal risks and uncertainties, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due for a period of three years from the date of this Report.

Future of the Company

The Board's view of the future for the Company can be found in the Chairman's Statement on page 6 under "Outlook" while the Investment Manager's view on future portfolio realisations may be found on page 19.

On behalf of the Board
Davina Walter
Chairman
20 January 2025

Engagement with Shareholders

The Board is required to report how it has discharged its duties and responsibilities under section 172 of the Companies Act 2006 during the year under review. Under this requirement, the Directors have a duty to promote the success of the Company for the benefit of its members (shareholders) as a whole, taking into account the likely long term consequences of decisions, the need to foster relationships with the Company's stakeholders, and the impact of the Company's operations on the environment. In addition, the Directors must act fairly between shareholders and be cognisant of maintaining the reputation of the Company.

Following the Board's decision to place the Company into a Managed Wind-Down the nature of engagement has changed from one of promotion to a focus on timely communication with shareholders regarding delivery of the strategy of asset realisation.

The Purpose of the Company and Role of the Board

The purpose of the Company is to act as a vehicle to provide, over time, financial returns (both income and capital) to its shareholders. Investment trusts, such as the Company, are long-term investment vehicles and are typically externally managed, have no employees, and are overseen by an independent non-executive board of directors.

The Board, which during the year comprised between four and five independent non-executive Directors with a broad range of skills and experience across all major functions that affect the Company, retains responsibility for taking all decisions relating to the Company's investment objective and policy, gearing, corporate governance and strategy, and for monitoring the performance of the Company's service providers.

The Board's philosophy is that the Company should operate in a transparent culture where all parties are treated with respect as well as the opportunity to offer practical challenge and participate in positive debate which is focused on the aim of achieving the expectations of shareholders and other stakeholders alike. The Board reviews the culture and manner in which the Manager operates at its regular meetings and receives regular reporting and feedback from the key service providers.

The Company's main stakeholders are its shareholders, the Manager, other service providers, as well as its investee companies and funds.

How the Board Engages with Stakeholders

The Board considers its stakeholders at Board meetings and receives feedback on the Manager's interactions with them

Stakeholder	How the Board Engages
Shareholders	Shareholders are key stakeholders and the Board places great importance on communication with them, and meet, in the absence of the Manager, with current and prospective shareholders to discuss performance and to receive shareholder feedback. The Board welcomes all shareholders' views. Part of that engagement has been to evaluate the feedback from shareholders regarding the Company's share price and the persistent discount to NAV at which its shares trade, culminating in effecting the proposals for a Managed Wind-Down of the Company in February 2024. Regular updates are provided to shareholders through the Annual Report, Half Yearly Report, Manager's monthly factsheets, company announcements, including daily net asset value announcements, and the Company's website.

Engagement with Shareholders

Continued

Manager	The Investment Manager's Report on pages 17 to 19 sets out the key investment decisions taken during the year. The Investment Manager has continued to manage the Company's assets in accordance with the investment objective, as last amended and approved by shareholders on 27 February 2024, with the oversight of the Board. The Board regularly reviews the Company's performance against its investment objective. In addition to an annual strategy session, the Board reviews in detail at each meeting the implementation of that strategy to ensure that the Company is positioned well for the future delivery of its objective for its stakeholders, in particular evaluating progress as regards the Managed Wind-Down of the Company. The decision to place the Company in a Managed Wind-Down was a direct result of the strategy review conducted in late 2023. The Board receives presentations from the Investment Manager at every Board meeting to help it to exercise effective oversight of the Investment Manager and the Company's strategy. The Board, through the Management Engagement Committee, formally reviews the performance of the Manager at least annually. More details are provided on page 38.
Investee Companies and Funds	Responsibility for actively monitoring the activities of investee companies and funds has been delegated by the Board to the Manager which has sub-delegated that authority to the Investment Manager. The Board has also given discretionary powers to the Investment Manager to exercise voting rights on resolutions proposed by the investee companies within the Company's portfolio. The Board and Manager are committed to investing in a responsible manner and the Investment Manager integrates environmental, social and governance considerations into its research and analysis as part of the investment decision-making process. Through engagement and exercising voting rights, the Investment Manager actively works with companies to improve corporate standards, transparency and accountability.
Service Providers	The Board seeks to maintain constructive relationships with the Company's suppliers, either directly or through the Manager, with regular communications and meetings. The Audit Committee conducts an annual review of the performance, terms and conditions of the Company's main service providers to ensure they are performing in line with Board expectations and providing value for money.

Specific Examples of Stakeholder Consideration During the Year

While the importance of giving due consideration to the Company's stakeholders is not new, and is considered as part of every Board decision, the Directors were particularly mindful of stakeholder considerations during the year ended 30 September 2024 in relation to the following –

- publication of the circular to shareholders in February 2024, further to feed-back received from shareholders, proposing that the Company conduct an orderly realisation to its assets in a manner that sought to optimise the value of the Company's investments while progressively returning cash to shareholders; and
- publication of the circular to shareholders in June 2024 recommending to shareholders the adoption of a B Share Scheme reflecting the Board's belief that this represented the fairest and most efficient mechanism by which to return substantial amounts of cash to shareholders.

Performance and Results

Performance (total return)

	31 March 2017[B] – 30 September 2024 % return	31 December 2020[C] – 30 September 2024 % return	1 year % return	3 years % return	5 years % return
Net asset value – debt at par[A]	+13.3	+6.4	–2.3	–2.1	+3.3
Net asset value – debt at fair value[A]	+21.6	+8.7	–2.2	–0.6	+10.9
Share price[A]	+2.3	+6.4	+8.1	+2.0	+5.3

[A] Considered to be an Alternative Performance Measure. Total return represents the capital return plus dividends reinvested. Further details can be found on page 101.
[B] Change of Investment Objective and Investment Policy on 31 March 2017.
[C] Change of Investment Objective and Investment Policy on 31 December 2020.
Source: abrdn, Morningstar and Lipper.

Ten Year Financial Record

Year to/As at 30 September	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total revenue (£'000)	23,120	23,265	17,961	23,262	22,106	20,783	18,878	17,959	17,163	**15,638**
Per Ordinary share (p)										
Net revenue return	7.1	7.6	5.3	6.2	5.7	5.6	5.1	5.0	4.4	**3.6**
Total return	(4.5)	1.3	8.0	2.8	2.6	(1.4)	6.7	(0.2)	(0.1)	**(1.2)**
Net dividends payable	6.54	6.54	5.89	5.24	5.36	5.44	5.52	5.60	7.33	**3.37**
Net asset value per Ordinary share (p)										
Debt at par value	136.6	131.6	132.7	130.3	128.1	121.7	123.5	117.8	112.7	**67.5**
Debt at fair value	131.0	123.6	126.4	124.2	119.9	113.4	121.7	117.6	112.6	**N/A**
Equity shareholders' funds (£'000)	374,832	351,521	436,767	428,129	413,679	386,230	382,118	363,358	339,534	**203,306**

Information about the Manager

abrdn Fund Managers Limited

The Company's Manager is abrdn Fund Managers Limited, a subsidiary of abrdn plc which manages a combined £506 billion (as at 30 June 2024) in assets for a range of clients, including individuals and institutions, through mutual and segregated funds.

The Investment Team

Nalaka De Silva

Head of Private Markets Solutions

Nalaka has over 21 years' experience in developing, implementing and managing strategies across the Public and Private Markets spectrum. This includes investments across Private Equity, Infrastructure, Real Estate, Natural Resources and Private Credit on a global basis. Solutions based strategies are designed around client outcomes including growth, income and proactive ESG strategies.

Nalaka joined abrdn in 2012. Prior to this, Nalaka held senior roles at Australian and European Investment management firms. He has lead M&A activity, off-market acquisitions and divestments of assets together with offshore and onshore capital raising in debt and equity markets. Nalaka is a qualified Chartered Accountant and holds a postgraduate degree in Commercial Law and Accounting.

Nic Baddeley

Investment Manager

Nic has over 10 years' experience in investment analysis and management working across public and private asset classes. He is responsible for the management of private markets portfolios undertaken by the Private Markets Solutions desk, as well as the continual development of investment processes, portfolio management and risk management techniques. Prior to joining the current team, Nic worked as an analyst with the global listed real estate team, responsible for sector coverage of the Chinese housebuilders, portfolio construction, and risk measurement.

Nic joined abrdn in 2015, prior to which he worked as a data scientist for a global data consultancy, and as an investment analyst at Mercer focussing on strategy analysis and fund recommendations for institutional investors. Nic graduated from the University of Edinburgh with an MA (Hons) degree in Psychology and is a CFA® charterholder.

Aretaios Chourdakis

Senior Investment Analyst

Aretaios is a Senior Investment Analyst within the Private Market Solutions team, where he is responsible for sourcing, screening, analysing, and executing both direct and indirect investment transactions across a range of private market strategies.

He joined abrdn in 2019 as part of the Valuation & Complex Asset Pricing team, undertaking valuations for a diverse portfolio of illiquid assets across various sectors and geographies. Subsequently, he participated in a secondment with the Small and Mid-Cap Equity Research team, where he was responsible for drafting research notes and presenting investment recommendations. Prior to his current role, Aretaios worked as an Associate at State Street within the Fund Services division and at Forocom, a Greek business consulting firm. Aretaios holds a BSc in Business Management from the University of Piraeus and an MSc in Accounting and Finance from the Athens University of Economics and Business. He has also earned the Investment Management Certificate (IMC), the Financial Modelling & Valuation Analyst Certification (FMVA) and the Commercial Banking & Credit Certification (CBCA) from the Corporate Finance Institute (CFI).

Investment Manager's Report

The year ended 30 September 2024 witnessed a considerable reorganisation of the Company's investment portfolio. Following the approval by shareholders, in February 2024, for the Company to enter a Managed Wind-Down, the Investment Manager partially liquidated the portfolio over a three to five month period to allow the Board to return approximately £115m at NAV on 10 July 2024.

As the Company moves into the next phase of the Managed Wind-Down, the Investment Manager is taking further steps to realise value for investors over the next three years. The remaining investments are a broad range of Alternative and Private Markets exposures ranging from litigation finance, healthcare royalties, infrastructure, real estate to private equity and private credit. Each investment has a unique set of dynamics that will need to be carefully managed over the wind-down period.

Market Dynamics

Monetary Policy

Monetary policy across the US, UK, and Europe has been shaped by persistent inflationary pressures, delaying anticipated rate cuts. The US Federal Reserve ("Fed") lowered rates by 25 basis points ("bps") in December 2024, bringing its target range to 4.25%-4.50%, marking the third consecutive rate cut following similar reductions in September and November. The Fed's cautious approach reflects ongoing concerns over a slowing labour market, which remains a key focus. In the UK, the Bank of England ("BoE") reduced the bank rate by 25 bps to 4.75% in November and left the rate unchanged in December. The BoE Governor has cautioned against over-eager rate cuts given the inflationary background. The next update is in February 2025, with the BoE currently expecting inflation to rise to 2.8% by the third quarter of 2025 before gradually easing. Meanwhile, the European Central Bank ("ECB") lowered its key interest rates by 25 bps in December 2024, bringing the deposit facility rate down to 3%. This marked the fourth rate cut of the calendar year 2024. The ECB anticipates Eurozone inflation returning to its 2% target by early 2025 though growth remains sluggish due to external political instability and other risks such as the potential for a new US trade war.

Private Equity and Venture Capital

Private equity is cautiously moving towards more exits but fundraising remains below historical standards. The trend towards concentration continues with fewer but larger funds being raised from investors. In the venture capital space, the lack of distributions is a significant issue. The market for initial public offerings and large mergers and acquisitions (M&A) remains subdued, with only 14 companies going public in the third quarter for an aggregate exit value of $10.4 billion, which is below the long-term average.

Private Credit

In a higher interest rate environment, certain companies are increasingly opting for payment-in-kind options instead of cash interest payments. This trend has intensified as the US Federal Reserve shifts towards rate cuts. Private credit lenders are offering more flexible terms to attract borrowers, foregoing more attractive cash-pay interest to win deals.

Real Assets

In infrastructure, fundraising in the second quarter was $18.4 billion, just 55% of the five-year average. The number of funds closed was also below the five-year average. Despite this, long-term allocations to infrastructure are expected to grow, especially in the energy transition and efficiency sectors. Investment sentiment in real estate is improving globally, with fundraising and deal value trending upwards. Europe, in particular, saw real estate deal value more than double from the previous quarter.

Performance

In aggregate, the majority of investments delivered positive performance in local currency. The positive contributors included Private Equity (+10bps), Private Credit (+43bps), Royalties (+45bps). Litigation Finance (+36bps), Global Private Markets (+22bps), Global Infrastructure (+79bps), and Cash and Government Bonds (+60bps), Detractors from performance included Real Estate, which experienced a negative 220bps while FX movements, related to the fall in the US Dollar against Sterling over the year, returned negative 325bps. Overall, the aggregate return of the portfolio was -138bps over the year.

Investment Manager's Report

Continued

How did the portfolio produce returns during the year?

Private Equity

Patria Secondaries Opportunities fund delivered +54bps. Since the start of 2024, the improved momentum in the secondary market seen in H2 2023 has continued and accelerated with increased activity across a range of deal types and sizes. The combination of a more stable valuation backdrop and increased confidence from larger secondary buyers to deploy capital should further reduce the pricing gap between buyers and sellers, which will in turn encourage more volume of deals to come to market. With expectations of a constrained M&A market and slow distribution pace in 2024, both limited partners (the investors, including the Company, ("LPs")) and general partners (the manager of the fund, ("GPs")) are expected to proactively seek liquidity in the secondary market in increasing numbers.

Bonaccord Capital Partners ("BCP") delivered +86bps, BCP buys equity stakes in alternative asset managers who operate in the private equity, real estate, and private credit space, mostly in the US. Given the rise in Private Markets allocation and growth of the underlying managers which BCP invests in, valuations have increased in line with those for listed peers and growth of portfolios.

TrueNoord is an aircraft leasing business. The fleet is currently sitting at 86 aircraft and reported that there were a number of further portfolio trades in the market that they were actively exploring. The valuation of the portfolio was adjusted relative to listed market comparable entities, with the Price-to-Book value revised downwards by 130bps. However, ongoing performance of the business remained on target.

Project Komodo (secondary private equity portfolio in wind-down) detracted -19bps as the tail of the portfolio continues to wind down.

Private Credit

Overall Private Credit has performed well with all investments adding positive contribution to the portfolio, attractive spreads were achieved compared with listed markets.

PIMCO Private Credit fund invests in a diversified pool of secured and unsecured credit including Asset-Backed Securities, Residential Mortgage-Backed Securities, bridge facilities across Commercial Real Estate, Residential Real Estate, Corporate Debt, and Speciality Finance in the US and Europe. The holding added +10bps before being fully redeemed during the year.

Hark III provides investors with an opportunity to lend capital on a NAV-financing basis to Private Equity backed portfolio companies or investment vehicles that would typically require dilutive equity capital. Since they generally do not meet the stand-alone underwriting criteria of the traditional lenders, such borrowers require credit enhancement from financial sponsors giving rise to higher spreads and greater security for lenders. Hark III added +9bps to the portfolio.

Mount Row II involves the active management of a diversified portfolio of senior secured debt European and Global leveraged buyouts, with the focus being on the largest and most liquid performing European senior secured issuers. The strategy of the fund is to preserve capital for shareholders, generate income and seek capital appreciation when market opportunities arise, through the careful management of specific loan books and deleveraging of the overall portfolio. Mount Row II added 24bps over the year.

Real Assets

Real assets (Real Estate and Infrastructure) detracted from performance, returning -220bps over the year.

Real Estate assets have suffered from continued underperformance due to a negative market environment. Residential development investments are particularly affected where the higher cost of borrowing and delayed disposals have resulted in losses. Over the year **AEROF** detracted 209bps while **Aberdeen Property Secondaries Fund** detracted 17bps.

Offsetting this is the more stable contracted cashflow exposure generated in the Global Infrastructure investments programme. Overall this basket of investments delivered +83bps. The portfolio management team have exercised liquidity options where available and we expect capital to be returned over the next three years. There have been some specific asset capitalisation in the SL Core infrastructure II programme, which will result in slower distributions in the near term, however this will be beneficial over the longer term.

Diversifying Opportunities

Diversifying Opportunities investments contributed positive 116bps to the performance of the Company over the period. These assets are less sensitive to global macro movements and provided stability to the portfolio. Performance was broadly spread across several assets, with positive returns from the private HealthCare Royalty Partners IV (+45bps), Burford Litigation Finance (+36bps) and the Global Private Markets Fund (+22bps). Residual wind-down assets in Markel Catco returned a positive +13bps over the year.

Defensive Assets

Our exposure to defensive assets, such as government bonds and cash, increased in response to providing the capacity to return capital to shareholders and cover remaining unfunded positions in private markets. In aggregate, these positions generated positive returns of +60bps to the portfolio.

Future portfolio realisations

We anticipate returning capital regularly to shareholders, subject to sufficient liquidity, as investments mature over time and a strategy is put in place for longer dated assets.

There is a broad spectrum of asset classes and maturity across the portfolio. The investment team are working on a number of potential liquidity mechanisms and as these options become tangible, we will continue to work with the Board as to how best to execute this on behalf of shareholders.

Nalaka De Silva,
Head of Private Markets Solutions

Nic Baddeley, Investment Manager,
Private Markets Solutions

Aretaios Chourdakis, Senior Investment Analyst,
Private Markets Solutions

abrdn Investments Limited
Investment Manager
20 January 2025

Portfolio

Private Equity

Patria Secondary Opportunities Fund IV

The fund's strategy is to acquire secondary interests in private markets investments, principally secondary interests in funds investing in private equity investments. The fund targets investments in niche or less competitive areas of the secondary market and/or where the Manager has an information or sourcing advantage. Such investments are likely to include direct private equity funds, complex or opportunistic secondaries in private markets opportunities, and private equity fund of funds or secondary funds.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
abrdn	Private Equity	Europe	2020	$406m	14 years

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Secondary Fund-of Funds	$25m	USD	56%	27.2%	£16.1m

TrueNoord

This is a co-invest in a regional aircraft leasing business based in Amsterdam. The business specialises in the leasing and lease management of specific regional aircraft, such as ATR, Bombardier and Embraer, to a range of partners around the world. It currently has 86 aircraft in its fleet.

Fund Information

Sponsor	Asset Class	Country/Region	Vintage	Company Size	Term
Freshstream	Private Equity	Europe	2017	$414m	Evergreen

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Co-invest	$7m	USD	100%	6.9%	£7.1m

Bonaccord Capital Partners I

Bonaccord Capital Partners I ("BCP") targets investment in equity stakes in alternative asset management companies (e.g. Private Equity and Private Credit Managers). The team focus on managers who are at the growth stage, who have a core product with a track record, and the potential to launch new products. As part owners of these managers, BCP receives a steady stream of income returns from the fees managers charge their investors, with upside 'lumpy' yield potential from carried interest earnings. There is also potential for long-term capital appreciation over and above profit distributions, driven by General Partner growth, de-risking, and potential portfolio-level multiple arbitrage.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
Bonaccord Capital Partners	Private Equity	North America and Europe	2019	$739m	12 years

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Primary Fund	$20m	USD	80%	16.2%	£18.1m

Private Equity

Continued

Maj Invest Equity V

Maj Invest Equity V is a Private Equity fund focusing on a Buy-Out strategy investing in small and medium sized companies in Denmark with typical revenues of €12m to €130m. The sector focus of Maj V is Industrials, Technology, MedTech and Trade.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
Maj Invest Equity A/S	Private Equity	Denmark	2016	DKK2,125m	10 years

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Primary Fund	DKK25m	DKK	95%	-3.9%	£2.1m

Harbourvest International Private Equity Partners VI

HIPEP VI is a Private Equity fund of funds, with North American, European, Asia Pacific and Emerging Market exposure.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
HarbourVest	Private Equity	Global	2009	€1,448m	13 years

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Secondary Fund-of Funds	$3.6m	EUR	95%	19.2%	£1.2m

Other Private Equity

Project Komodo

The fund comprises six mature private equity investments totalling less than £700k in net asset value, and is not described further.

Maj Equity Fund IV

The fund is in liquidation with no assets left to sell, and under £500k of net asset value, and is not described further.

Infrastructure

Andean Social Infrastructure Fund I LP

Andean Social Infrastructure Fund I invests in social and economic infrastructure projects undertaken through the award of concessions by central or local government counterparties with strong credit quality (PPP), including all major sectors of social and economic infrastructure in approved countries around the globe.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
abrdn	Infrastructure	Latin America	2017	$198m	10 years

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Primary Fund	$25m	USD	77%	9.2%	£15.8m

Aberdeen Global Infrastructure Partners II

Aberdeen Global Infrastructure Partners II invests in concession and PPP infrastructure projects in Australia and the US. It has financed and managed the development of these projects and all are now operational.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
abrdn	Infrastructure	North American and Australia	2014	AUD$172m	30 years (with defined liquidity window between years 7 and 12)

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Primary Fund	AUD$25m	AUD	53%	29.3%	£2.3m

SL Capital Infrastructure II

SL Capital Infrastructure II focuses on mid-market European core infrastructure projects and an emphasis on sustainability, with significant ESG philosophy integration into the investment and asset management process.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
abrdn	Infrastructure	Europe	2019	€667m	12 years

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Fund	€28.5m	EUR	99%	5.4%	£27.8m

Infrastructure

Continued

Pan-European Infrastructure Fund

The Pan-European Infrastructure Fund (PEIF) specialises in European infrastructure investments. The opportunity was presented by the abrdn Economic infrastructure team, who were already indirect investors in the fund, and wanted to increase their exposure through an available secondary sale.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
DWS	Infrastructure	Europe	2005	€2,066m	10 years

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Secondary Fund	€4.7m	EUR	93%	14.8%	£768,000

BlackRock Renewable Income UK

BlackRock Renewable Income (BRI) is a UK focused renewable energy fund. BRI is currently fully invested in 48 wind and solar projects across the UK. 63% of current NAV is in the UK wind sector, and 37% is in the UK solar sector. 100% of the portfolio is operational and unlevered, and the portfolio has a net average cash yield since inception of 8.2% as of 30 June 2024.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
BlackRock	Infrastructure	Europe	2015	£773m	Evergreen

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Fund	£8.5m	GBP	100%	12.7%	£6.7m

Private Credit

Hark Capital Partners III

The Fund's strategy relates to lending to private equity funds against the value of their assets and the uncalled commitments from underlying investors. Hark III intends to provide investors with an opportunity to achieve attractive risk-adjusted returns of 11%-12% at a compelling relative value.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
Hark Capital Partners	Private Credit	US	2022	$485m	7 years + 1

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Primary Fund	$10m	USD	50%	12.2%	£4.1m

PIMCO Private Income Fund

PIMCO's Private Income Fund, launched in April 2019, is primarily focused on income producing private assets. It seeks to deploy capital fluidly across credit sectors and over economic cycles. It is housed in an evergreen fund structure, for investors seeking to manage their exposure through time. The Investment opportunity has three core pillars to its strategy: a multi-sector approach to private credit, integrated investment team and evergreen vehicle structure. The fund is a highly-diversified private lending fund that leverages PIMCO's position as a global fixed income leader with deep credit expertise. It seeks to provide attractive income-driven returns by primarily investing in performing private credit across the residential, commercial, specialty finance, and corporate sectors.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
PIMCO	Private Credit	America and Europe	2021	$730m	Open-ended

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Primary Fund	$10m	USD	100%	4.4%	£6.7m

Mount Row Credit Fund II

Mount Row Credit Fund II, is an active managed diversified portfolio of senior debt European and Global leveraged buyouts with the focus being on the largest and most liquid performing European senior secured issuers. Fund's strategy is to preserve capital for shareholders, generate current income and seek capital appreciated when market opportunities arise.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
Investcorp	Private Credit	Europe	2021	€221m	2.5 years

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Primary Fund	$10m	GBP	100%	4.5%	£9.4m

Real Estate

Aberdeen European Residential Opportunities Fund

AEROF is a residential development fund, converting brownfield sites with higher value as residential units and building residential assets on greenfield sites both for sale and for rental in the build to rent, micro living and student accommodation sectors. The fund was due to finish in 2023, but has entered its extension period, and is due to complete in Q2 2025.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
abrdn	Real Estate	Europe & UK	2017	€600m	6 years

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Primary Fund	€15m	EUR	100%	-30.1%	£2.6m

Aberdeen Property Secondary Partners II

The Fund's strategy is to acquire attractive property fund across Europe and India. The portfolio has exposure across seven different countries with three of those accounting for 88% of the portfolio (Spain, the UK, and India). From a sector perspective the largest exposure (53% of NAV) is to offices, with a further 23% invested in the more resilient residential sector. The Fund term was due to expire in December 2024 but has now been extended by a year to December 2025.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
abrdn	Real Estate	Europe and Asia	2017	€103m	7 years +1+1+1

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Secondary Fund-of Funds	€22m	EUR	94%	6.0%	£7.8m

Cheyne Social Property Impact Fund

Cheyne Social Property Impact Fund invests in UK property for use by social sector organisations for disadvantaged groups. The fund reached its maturity in 2021 and we granted its extension of 12 months in January 2021 and 18th months to September 2023. As the fund is now past the end of its permitted life, the Company are not being charged any fees by the manager for this fund.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
Cheyne	Real Estate	UK	2016	£187m	7 years

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Primary Fund	£6m	GBP	100%	-1.2%	£3.3m

Special Opportunities

Burford Opportunity Fund

Burford Opportunity Fund invests in litigation finance, funding the legal costs of carefully selected commercial cases typically in return for a percentage of the damages or awards paid to the claimant, should they be successful.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
Burford Capital	Litigation Finance	North America	2018	$300m	5 years

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Primary Fund	$25m	USD	75%	13.6%	£16.1m

HealthCare Royalty Partners IV

HealthCare Royalty Partners IV (HCR IV) invests in royalty streams from life sciences companies and drug developers. Many life science companies or developers want to raise funds to fund future research and development work, without diluting their interests or giving away control. By selling a proportion of their future sales to funds such as HCRIV, they can raise this non-dilutive capital.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
Abrdn	Healthcare Royalties	Global, with a focus on North America	2018	$1,2bn	10 years

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Primary Fund	$25m	USD	98%	15.6%	£12.3m

abrdn Global Private Markets Fund

The abrdn Global Private Markets Fund launched with existing exposure to North American and European private equity focused on mid-market companies, along with economic infrastructure and energy assets in the UK and Europe. The Fund is currently building out and diversifying its exposure. There is exploratory activity globally with particular attention on technology, demographics and sustainability themes. The near-term focus will be to expand the portfolio into private credit and real asset strategies (Real Estate, Infrastructure and Natural Resources) while diversifying the current private equity and infrastructure assets by sector and market. Geographically, we will focus on private equity and venture capital in North America, infrastructure in OECD markets, real estate in the Europe and Asia, and private credit strategies in North America and Europe. Implementation will focus on secondary investments and co-investments alongside Fund commitments.

Fund Information

Fund Manager	Asset Class	Country/Region	Vintage	Fund Size	Term
abrdn	Multi-asset private market	Global	2018	£328m	Open-ended

Key Information

Investment	Commitment	Currency	% Drawn	IRR	NAV (GBP)
Primary/Secondary/Direct	£15m	GBP	100%	9.5%	£20.7m

Ten Largest Investments

As at 30 September 2024

	At 30 September 2024 % of Total investments	At 30 September 2023 % of Total investments
SL Capital Infrastructure II[AB]	**15.2**	8.1
European economic infrastructure		
Aberdeen Standard Global Private Markets Fund[AB]	**11.4**	5.9
Multi-strategy private markets exposure		
Bonaccord Capital Partners I-A[B]	**10.0**	4.7
Investment in alternative asset management companies		
Burford Opportunity Fund[B]	**8.9**	5.1
Litigation finance investments initiated by Burford Capital		
Patria Secondaries Opportunities Fund IV[B]	**8.8**	3.8
Diversified Private Equity portfolio which invests through secondary transactions		
Andean Social Infrastructure Fund I[AB]	**8.7**	4.4
Infrastructure project investments in the Andean region of South America		
Healthcare Royalty Partners IV[B]	**6.8**	4.7
Healthcare royalty streams primarily in the US		
Mount Row Credit Fund II[B]	**5.1**	3.0
Diversified portfolio of senior debt European and Global leveraged buyouts		
Aberdeen Property Secondaries Partners II[AB]	**4.3**	2.8
Real estate value added portfolio of properties across United Kingdon and Europe		
TrueNoord Co-Investment[B]	**3.9**	2.6
Aircraft leasing company which specialises in regional aircraft		

[A] Denotes abrdn plc managed products
[B] Unlisted holdings

Private Markets Investments

As at 30 September 2024

Company	Valuation 2024 £'000	Total investments 2024 %	Valuation 2023 £'000
Private Equity			
Bonaccord Capital Partners I-A[B]	18,130	10.0	16,091
Patria Secondaries Opportunities Fund IV[AB]	16,057	8.8	12,940
TrueNoord Co-Investment[B]	7,136	3.9	8,765
Maj Invest Equity V[B]	2,095	1.1	2,432
HarbourVest International Private Equity VI[B]	1,240	0.7	1,678
Mesirow Financial Private Equity IV[B]	400	0.2	599
HarbourVest VIII Venture Fund[B]	104	0.1	123
Mesirow Financial Private Equity III[B]	80	–	117
Maj Invest Equity IV[B]	24	–	1,205
HarbourVest VIII Buyout Fund[B]	23	–	160
Top ten Private Equity holdings	45,289	24.8	
Other holdings	9	–	
Total Private Equity	**45,298**	**24.8**	
Real Estate			
Aberdeen Property Secondaries Partners II[AB]	7,840	4.3	9,385
Cheyne Social Property Impact Fund[B]	3,299	1.8	3,299
Aberdeen European Residential Opportunities Fund[AB]	2,556	1.4	7,524
Total Real Estate	**13,695**	**7.5**	
Infrastructure			
SL Capital Infrastructure II[AB]	27,792	15.2	27,419
Andean Social Infrastructure Fund I[AB]	15,821	8.7	15,016
BlackRock Renewable Income – UK[B]	6,657	3.7	8,199
Aberdeen Global Infrastructure Partners II (AUD)[AB]	2,250	1.2	4,541
Pan European Infrastructure Fund[B]	768	0.4	1,205
Total Infrastructure	**53,288**	**29.2**	
Private Credit			
Mount Row Credit Fund II[B]	9,393	5.1	10,166
PIMCO Private Income Fund Offshore Feeder I LP[B]	6,736	3.7	7,662
ASI Hark III[B]	4,109	2.2	6,042
Total Private Credit	**20,238**	**11.0**	

Private Markets Investments

Continued

As at 30 September 2024

Company	Valuation 2024 £'000	Total investments 2024 %	Valuation 2023 £'000
Other			
Aberdeen Standard Global Private Markets Fund[A][B]	20,730	11.4	19,934
Burford Opportunity Fund[B]	16,120	8.9	17,272
Healthcare Royalty Partners IV[B]	12,263	6.8	16,235
Markel CATCo Reinsurance Fund Ltd – LDAF 2018 SPI[B]	572	0.3	333
Markel CATCo Reinsurance Fund Ltd – LDAF 2019 SPI[B]	242	0.1	81
Total Other	**49,927**	**27.5**	
Total Private Markets	**182,446**	**100.0**	

[A] Denotes abrdn plc managed products
[B] Unlisted holdings

Listed Equities

As at 30 September 2024

Company	Valuation 2024 £'000	Valuation 2024 %	Valuation 2023 £'000
Reinsurance Sub-Fund			
CATCo Reinsurance Opportunities Fund	79	–	84
Total Reinsurance Sub-Fund	79	–	
Total Equities	**79**	**-**	

Overview
Strategic Report
Portfolio
Governance
Financial Statements
Corporate Information
General

Net Assets Summary

As at 30 September 2024

	Valuation 2024 £'000	Net assets 2024 %	Valuation 2023 £'000	Net assets 2023 %
Total investments	**182,525**	**89.8**	**339,972**	**100.1**
Cash and cash equivalents[A]	22,300	11.0	21,087	6.2
Forward contracts	–	–	(5,615)	(1.6)
6.25% Bonds 2031	–	–	(15,730)	(4.6)
Other net liabilities	(1,519)	(0.8)	(180)	(0.1)
Net assets	**203,306**	**100.0**	**339,534**	**100.0**

Governance

Board of Directors

Davina Walter
Chairman

Experience:

Appointed a Director on 1 February 2019, Senior Independent Director on 27 February 2019 and Chairman on 26 February 2020, Davina Walter is an experienced investment professional who has been actively involved with investment trusts since 1985 when she joined Henderson (now Janus Henderson) as a fund manager. Having started her career at Cazenove & Co, ending up as Head of US equity research, she then spent over 16 years as an investment manager, most recently, as a Managing Director at Deutsche Asset Management. She is a non-executive director of Miton UK MicroCap Trust plc and Fidelity European Trust plc.

Length of service:

5 years

Last re-elected to the Board:

2024

Committee membership:

Management Engagement Committee (Chairman) and Nomination Committee (Chairman)

Contribution:

The Nomination Committee, chaired by the Senior Independent Director, has reviewed the contribution of Davina Walter in light of her proposed re-election at the forthcoming AGM and has concluded that she continues to chair the Company expertly, fostering a collaborative spirit between the Board and Manager while ensuring that meetings remain focussed on the key areas of stakeholder relevance.

Tom Challenor
Senior Independent Non-Executive Director and Chairman of the Audit Committee

Experience:

Appointed a Director on 6 April 2017 and Chairman of the Audit Committee on 31 October 2018, Tom Challenor is a non-executive director and Chair of the Audit Committee of Vanguard Group (Ireland) Limited and its fund companies, and is also a non-executive director of Threadneedle India Fund Limited. Tom was formerly Senior Independent Director of Euroclear UK & International Limited, as well as a former non-executive director of Aberdeen UK Tracker Trust plc, Cofunds Limited, Xtrakter Limited and Threadneedle Lux (SICAV). At Threadneedle Asset Management he was Director of Strategy and Risk from 2005 to 2009 and Chief Financial Officer from 1997 to 2005.

Length of service:

7 years

Last re-elected to the Board:

2024

Committee membership:

Audit Committee (Chairman), Management Engagement Committee and Nomination Committee

Contribution:

The Nomination Committee has reviewed the contribution of Tom Challenor in light of his proposed re-election at the forthcoming AGM and has concluded that he continues to occupy the roles of Senior Independent Director and Chairman of the Audit Committee expertly, as well as bringing to the Board his experience of internal controls and risk management in an investment setting.

Trevor Bradley

Independent Non-Executive Director

Experience:

Appointed a Director on 1 August 2019, Trevor Bradley was a partner and member of the Management Board at Ruffer LLP. He was responsible for growing and leading the firm's institutional investment business and managed over £1 billion of multi-asset portfolios for pension funds, charities and other institutions. Prior to Ruffer, he was a management consultant at McKinsey & Company and a UK equity portfolio manager at Mercury Asset Management. He is a Trustee Director of BBC Children in Need and Chair of its Investment Committee.

Length of service:

5 years

Last re-elected to the Board:

2024

Committee membership:

Audit Committee, Management Engagement Committee and Nomination Committee

Contribution:

The Nomination Committee has reviewed the contribution of Trevor Bradley in light of his proposed re-election at the forthcoming AGM and has concluded that he continues to bring to the Board his knowledge of investment management as well as experience in investment companies.

Alistair Mackintosh

Independent Non-Executive Director

Experience:

Appointed a Director on 1 May 2021, Alistair Mackintosh was a partner with Actis LLP, a leading investor in growth markets across Africa, Asia and Latin America from its inception in 2004 until 2018. He served as Chief Investment Officer for twelve years, and chaired the Investment Committees of Actis' Private Equity, Infrastructure, Energy and Real Estate funds. Previously, Alistair spent fifteen years with PPM Capital Ltd (now Silverfleet Capital), the mid-market private equity business of Prudential plc.

Length of service:

3 years

Re-elected to the Board:

2024

Committee membership:

Audit Committee, Management Engagement Committee and Nomination Committee

Contribution

The Nomination Committee has reviewed the contribution of Alistair Mackintosh in light of his proposed re-election at the forthcoming AGM and has concluded that he brings to the Board considerable expertise in Private Markets.

Directors' Report

The Directors present their audited Annual Report for the year ended 30 September 2024.

Results

The financial statements for the year ended 30 September 2024 may be found on pages 61 to 91.

Return of capital to shareholders

The Company returned approximately 38.1p per Ordinary share to shareholders on 10 July 2024 via a B Share Scheme which was approved by shareholders at a General Meeting held on 3 July 2024. Further detail may be found in Overview of Strategy on page 8.

Dividends

Interim dividends of 1.42p per Ordinary share and 1.95p per Ordinary share, were paid on 27 March 2024 and 24 October 2024, respectively, in respect of the year ended 30 September 2024.

In accordance with the circular to shareholders published by the Company on 17 June 2024, the Board intends to continue to pay a sufficient level of dividend to ensure that the Company will not retain more than 15 per cent. of its income in an accounting period so as to maintain the Company's investment trust status during the Managed Wind-Down.

Revenue available to the Company will decrease as the portfolio assets are realised and there can be no guarantee as to the payment, quantum, or timing of dividends during the Managed Wind-Down process. However, it is expected that, at a minimum, the Company will declare a dividend each September, normally payable in October, to maintain investment trust status.

Further information on the Board's intentions regarding future dividends may be found in the Chairman's Statement on page 5 and, in relation to Resolution 3 to be proposed at the AGM on 26 February 2025, on page 42.

Investment Trust Status

The Company is registered as a public limited company in Scotland under number SC003721 and is an investment company within the meaning of Section 833 of the Companies Act 2006. The Company has been approved by HM Revenue & Customs as an investment trust subject to it continuing to meet the relevant eligibility conditions of Section 1158 of the Corporation Tax Act 2010 and the ongoing requirements of Part 2 Chapter 3 Statutory Instrument 2011. The Directors are of the opinion that the Company has conducted its affairs for the year ended 30 September 2024 so as to enable it to comply with the ongoing requirements for investment trust status.

Individual Savings Accounts

The Company has conducted its affairs in such a way as to satisfy the requirements as a qualifying security for Individual Savings Accounts. The Directors intend that the Company will continue to conduct its affairs in this manner.

Capital Structure and Voting rights

The issued Ordinary share capital at 30 September 2024 consisted of 301,265,952 Ordinary shares with nominal value of 1p each (2023 - 301,265,952 Ordinary shares with nominal value of 25p each) with voting rights and 22,485,854 Ordinary shares of 1p each (2023 – 22,485,854 Ordinary shares of 25p each) held in treasury. No Ordinary shares were bought back into treasury during the year ended 30 September 2024 (2023 – 7,181,362) and no Ordinary shares were bought back into treasury between 1 October 2024 and the date of approval of this Annual Report.

Each Ordinary share (excluding treasury shares) holds one voting right and shareholders are entitled to vote on all resolutions which are proposed at general meetings of the Company. The Ordinary shares, excluding treasury shares, carry a right to receive dividends. On a winding up or other return of capital, after meeting the liabilities of the Company, the surplus assets will be paid to Ordinary shareholders in proportion to their shareholdings.

Following the approval by the Court of Session in Edinburgh of the reduction in the Company's share capital on 7 June 2024, the nominal value per Ordinary share was reduced from 25p to 1p.

There are no restrictions on the transfer of Ordinary shares in the Company other than certain restrictions which may from time to time be imposed by law.

Directors

As at 30 September 2024 and as the date of this Report, the Board consisted of a non-executive Chairman and three non-executive Directors, all of whom served as Directors throughout the year ended 30 September 2024, Anna Troup retired as a Director on 27 February 2024. Tom Challenor was Senior Independent Director and Chairman of the Audit Committee.

Board Diversity

The Board recognises the importance of having a range of skilled, experienced individuals with the right knowledge represented on the Board in order to allow it to fulfil its obligations. The Board also recognises the benefits and is supportive of, and will give due regard to, the principle of diversity in its recruitment of new Board members. The Board will not display any bias for age, gender, race, sexual orientation, socio-economic background, religion, ethnic or national origins or disability in considering the appointment of Directors. The Board will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment. The Board will take account of the targets set out in the FCA's Listing Rules, which are set out below.

The Board voluntarily discloses the information, which has been provided by each Director, in the tables below in relation to its diversity. The Board has resolved that the Company's year end date be the most appropriate reference date for disclosure purposes. There have been no changes between 30 September 2024 and the date of approval of this report.

The Board acknowledges that it does not meet the target that at least 40% of Directors are women as set out in UKLR 6.6.6R (9)(a)(i) nor the target that at least one Director is from a minority ethnic background as set out in UKLR 6.6.6R (9)(a)(iii). Further to the retirement of Anna Troup and the approval of shareholders of the Company entering a Managed Wind-Down, which both occurred on 27 February 2024, the Board considers that four Directors is the appropriate number, taking account of the responsibilities that require to be discharged and the need to exercise control over the Company's operating costs. The Board does not expect to undertake a recruitment exercise in the medium term, which would present an opportunity to address diversity.

Table for reporting on gender as at 30 September 2024

	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, Chair and SID)	Number in executive management	Percentage of executive management
Men	3	75%	1		
Women	1	25% (note 1)	1	n/a (note 3)	n/a (note 3)
Not specified/prefer not to say	–	–	–		

Table for reporting on ethnic background as at 30 September 2024

	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, Chair and SID)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	4	100%	1		
Minority ethnic	–	– (note 2)	–	n/a (note 3)	n/a (note 3)
Not specified/prefer not to say	–	–	–		

Notes:

1. Does not meet the target that at least 40% of Directors are women as set out in UKLR 6.6.6R (9)(a)(i).
2. Does not meet the target that at least one Director is from a minority ethnic background as set out in UKLR 6.6.6R (9)(a)(iii).
3. This column is not applicable as the Company is externally managed and does not have any executive staff, specifically it does not have either a CEO or CFO.

Directors' Report

Continued

The Role of the Chairman and Senior Independent Director

The Chairman is responsible for providing effective leadership to the Board, by setting the tone of the Company, demonstrating objective judgement and promoting a culture of openness and debate. The Chairman facilitates the effective contribution, and encourages active engagement, by each Director. In conjunction with the Company Secretary, the Chairman ensures that Directors receive accurate, timely and clear information to assist them with effective decision-making. The Chairman leads the evaluation of the Board and individual Directors and acts upon the results of the evaluation process by recognising strengths and addressing any weaknesses. The Chairman also engages with major shareholders and ensures that all Directors understand shareholder views.

The Senior Independent Director acts as a sounding board for the Chairman and acts as an intermediary for other Directors, when necessary. Working closely with the Nomination Committee, the Senior Independent Director takes responsibility for an orderly succession process for the Chairman, and leads the annual appraisal of the Chairman's performance. The Senior Independent Director is also available to shareholders to discuss any concerns they may have. Tom Challenor is the Senior Independent Director.

Board Committees

The Board has appointed a number of Committees, as set out below. Copies of their terms of reference, which define the responsibilities and duties of each Committee, are available on the Company's website, or upon request from the Company. The terms of reference of each of the Committees are reviewed and re-assessed by the Board for their adequacy on an ongoing basis.

Audit Committee

The Audit Committee's Report is contained on pages 48 to 50.

Management Engagement Committee

The Management Engagement Committee consists of all the Directors and was chaired by Davina Walter throughout the year. The terms and conditions of the Manager's appointment, including an evaluation of performance and fees, are reviewed by the Committee on an annual basis. The Committee also keeps under review the resources of abrdn plc, together with its commitment to the Company and its investment trust business. In addition, the Committee conducts an annual review of the performance, terms and conditions of the Company's key third party suppliers, by undertaking peer comparisons and reviewing reports from the Manager and the Depositary.

The Board conducts a formal annual evaluation of the performance of, and contractual relationship with, the Manager and those third parties appointed by the Manager. The evaluation includes consideration of the investment strategy and process of the Manager, noting performance against the benchmark over the long term and the quality of the support that the Company receives from the Manager. The Board confirms that it is satisfied that the continuing appointment of the Manager, on the terms agreed, is in the interests of shareholders as a whole.

Management Agreement

The Company has appointed the Manager, a wholly-owned subsidiary of abrdn plc, as its alternative investment fund manager.

The Manager has been appointed to provide investment management, risk management, administration and company secretarial services as well as promotional activities. The Company's portfolio is managed by the Investment Manager by way of a group delegation agreement in place between the Manager and Investment Manager. In addition, the Manager has sub-delegated administrative and secretarial services to abrdn Holdings Limited and promotional activities to abrdn Investments Limited.

The Manager charges a monthly fee at the rate of one-twelfth of 0.50% on the first £300 million of NAV and 0.45% of NAV in excess of £300 million. The value of any investments in Exchange Traded Funds, unit trusts, open ended and closed ended investment companies and investment trusts of which the Manager, or another company within the abrdn plc group, is the operator, manager or investment adviser, is deducted from net assets. Details of the management fee charged during the year are included in note 4 to the financial statements.

The management agreement has in place a six months' notice period. In the event of termination by the Company on less than the agreed notice period, compensation is payable to the Manager in lieu of the unexpired notice period.

Nomination Committee

The Nomination Committee consists of all the Directors and was chaired by Davina Walter throughout the year. The Committee reviews the effectiveness of the Board, succession planning, Board appointments, appraisals, training and the remuneration policy. As stated in the Directors' Remuneration Report on pages 44 to 47, the Nomination Committee determines the level of Directors' fees and there is no separate remuneration committee.

The names and biographies of each of the current Directors are shown on pages 34 and 35 and indicate their range of skills and experience as well as their length of service and individual contribution to the governance of the Company.

Through the work of the Nomination Committee, the Directors undertook a review of the Board, its Committees and the performance of individual Directors. The process involved the completion of questionnaires by each Director with the results discussed by the Board thereafter, with appropriate action points agreed. Following the evaluation process, the Board concluded that it operates effectively to promote the success of the Company and that each Director makes a significant contribution to the collective Board. The review of the Chairman was undertaken by the Senior Independent Director. The Board has assessed that, collectively, it had in place the appropriate balance of skills, experience, length of service and knowledge of the Company while recognising the advantages of diversity.

Potential new Directors are identified against the requirements of the Company's business and the need to have a balance of skills, experience, independence, diversity and knowledge of the Company within the Board.

Each Director has the requisite high level and range of business and financial experience which enables the Board to provide clear and effective leadership and proper governance of the Company.

The Directors attended scheduled meetings of the Board and Board Committees during the year ended 30 September 2024 as set out in the table (with their eligibility to attend the relevant meetings in brackets). The Directors meet more regularly when business needs require, in particular in relation to the strategic review. In addition, there were ad hoc Committee meetings when not all Directors were required to attend.

Director	Scheduled Board Meetings	Audit Committee Meetings	Management Engagement Committee Meetings	Nomination Committee Meetings
Davina Walter [A]	4 (4)	- (-)	2 (2)	2 (2)
Tom Challenor	4 (4)	3 (3)	2 (2)	2 (2)
Trevor Bradley	4 (4)	3 (3)	2 (2)	2 (2)
Anna Troup [B]	2 (2)	1 (1)	1 (1)	1 (1)
Alistair Mackintosh	4 (4)	3 (3)	2 (2)	2 (2)

[A] Davina Walter, as Chairman of the Board, is not a member of the Audit Committee
[B] Retired as a Director on 27 February 2024

Further to the above, all Directors participated in additional meetings in relation to both the strategic review and B share scheme.

In line with best practice in corporate governance, all Directors offer themselves for election or re-election at the AGM. Davina Walter, Tom Challenor, Trevor Bradley and Alistair Mackintosh each retire and, being eligible, each submits themselves for re-election at the AGM. The Board believes that all current Directors remain, and all Directors during the year ended 30 September 2024 were, and continue to be, independent of the Manager and free from any relationship which could materially interfere with the exercise of their judgement on issues of strategy, performance, resources and standards of conduct. In addition, the Board confirms that each Director demonstrates commitment to the role and their performance remains effective which supports their individual contribution to the role.

The Board therefore recommends, for approval by shareholders, the resolutions for the individual re-election as Directors at the AGM of each of Davina Walter, Tom Challenor, Trevor Bradley and Alistair Mackintosh.

Directors' and Officers' Liability Insurance

The Company's Articles of Association indemnify each of the Directors out of the assets of the Company against any liabilities incurred by them as a Director of the Company in defending proceedings, or in connection with any application to the court in which relief is granted. In addition, the Directors have been granted qualifying indemnity provisions by the Company which are currently in force. Directors' and Officers' liability insurance cover has been maintained throughout the year at the expense of the Company.

Management of Conflicts of Interest

The Board has a procedure in place to deal with a situation where a Director has an actual or potential conflict of interest. As part of this process, each Director prepares a list of other positions held and all other conflict situations that may need to be authorised either in relation to the Director concerned or his or her connected persons. The Board considers each Director's situation and decides whether to prevent or manage any conflict, taking into consideration what is in the best interests of the Company and whether the Director's ability to act in accordance with their duties is affected. Each Director is required to notify the Company Secretary of any potential, or actual, conflict situations that will need authorising by the Board. Authorisations given by the Board are reviewed at each Board meeting.

No Director has a service contract with the Company although all Directors are issued with letters of appointment. There were no contracts during, or at the end of the year, in which any Director was interested.

The Board takes a zero-tolerance approach to bribery and has adopted appropriate procedures designed to prevent bribery. The Manager also takes a zero-tolerance approach and has its own detailed policy and procedures in place to prevent bribery and corruption.

Corporate Governance

The Statement of Corporate Governance, which forms part of the Directors' Report, may be found on page 43.

Going Concern

The Financial Statements of the Company have been prepared on a going concern basis. This conclusion is consistent with the Company's Viability Statement on pages 11 and 12.

The Directors are mindful of the principal risks and uncertainties disclosed on pages 9 and 10 and have reviewed forecasts detailing revenue, liabilities and capital commitments. The Directors are satisfied that: the Company is able to meet all of its liabilities from its assets, including its ongoing charges, so possesses sufficient resources to continue in operational existence for the foreseeable future and at least 12 months from the date of approval of this Annual Report; the Company is financially sound; and the Company's key third party service providers had in place appropriate business continuity plans.

Further to a circular published on 5 December 2024, a General Meeting of the Company was held on 23 December 2024 at which shareholders approved the adoption of new Articles of Association which removed the requirement for the Company to hold an annual continuation vote.

Following the approval by shareholders of the Company, on 27 February 2024, for the Company to pursue a Managed Wind-Down, the Directors do not believe this should automatically trigger the adoption of a basis other than going concern in line with the Association of Investment Companies ("AIC") Statement of Recommended Practice ("SORP") which states that it is usually appropriate to prepare financial statements on a going concern basis.

Additionally, the SORP guidance sets out that it is appropriate for the financial statements to be prepared on a going concern basis whilst making a material uncertainty disclosure as set out in accounting standards. Whilst the financial statements for the year ended 30 September 2024 have been prepared on a going concern basis, the Directors recognise that there is a material uncertainty in respect of the Managed Wind-Down (see note 2(a) for related basis of preparation disclosures).

Relations with Shareholders

The Directors place great importance on communication with shareholders and regularly meet with current and prospective shareholders to discuss performance, including in the absence of the Manager. The Board receives quarterly investor relations updates from the Manager. Significant changes to the shareholder register, as well as shareholder feedback, are discussed by the Directors at each Board meeting.

Regular updates are provided to shareholders through the Annual Report, Half Yearly Report, monthly factsheets and daily net asset value announcements, all of which are available through the Company's website at: **abrdndiversified.co.uk.** The Annual Report is also widely distributed to other parties who have an interest in the Company's performance. Shareholders and investors may obtain up-to-date information through its website or by contacting the Company directly (see details on page 93).

The Board's policy is to communicate directly with shareholders and their representative bodies without the involvement of the management group (either the Company Secretary or abrdn) in situations where direct communication is required and representatives from the Board offer to meet with major shareholders on an annual basis in order to gauge their views. The Company Secretary acts on behalf of the Board, not the Manager, and there is no filtering of communication. At each Board meeting the Board receives full details of any communication from shareholders to which the Chairman responds, as appropriate, on behalf of the Board.

In addition, in relation to institutional shareholders, members of the Board may either accompany the Manager or conduct meetings in the absence of the Manager.

The Company's Annual General Meeting ordinarily provides a forum, both formal and informal, for shareholders to meet and discuss issues with the Directors and Investment Manager. The Notice of AGM included within the Annual Report is normally sent out at least 20 working days in advance of the meeting.

Substantial Interests

As at 30 September 2024, the following interests over 3% in the issued Ordinary share capital of the Company had been disclosed in accordance with the requirements of the FCA's Disclosure Guidance and Transparency Rules:

Shareholder	Number of shares held	% held [B]
Interactive Investor [A]	50,472,885	16.8
Hargreaves Lansdown [A]	28,365,225	9.4
City of London	21,134,901	7.0
Investec Wealth & Investment	11,139,438	3.7
Castellain Capital	9,700,933	3.2

[A] Non-beneficial interest

[B] Based on 301,265,952 Ordinary shares in issue (excluding treasury shares) as at 30 September 2024

The above interests at 30 September 2024 were unchanged at the date of approval of this Report.

Criminal Finances Act 2017

The Criminal Finances Act 2017 introduced a corporate criminal offence of "failing to take reasonable steps to prevent the facilitation of tax evasion". The Board has confirmed that it is the Company's policy to conduct all of its business in an honest and ethical manner. The Board takes a zero tolerance approach to facilitation of tax evasion, whether under UK law or under the law of any foreign country.

Accountability and Audit

The responsibilities of the Directors and the auditors in connection with the financial statements appear on page 51 and pages 58 and 59.

Each Director confirms that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and they have taken all the steps that they could reasonably be expected to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Directors' Report

Continued

Annual General Meeting

The Annual General Meeting will be held at 10.00 am on 26 February 2025 at 18 Bishops Square, London E1 6EG. The Notice of the Meeting may be found on pages 103 to 106.

Resolutions including the following business will be proposed at the Annual General Meeting:

Dividend policy (Resolution 3)

It is best practice in corporate governance for companies to seek annual shareholder approval of a policy to pay interim dividends where separate authority is not sought for a final dividend.

Market Purchase of the Company's own Ordinary Shares (Resolution 10)

Resolution 10 will be proposed as a special resolution to authorise the Company to make market purchases of its own Ordinary shares.

The Board is seeking shareholders' approval to authorise the Company to buy back its own shares for holding in treasury in order to provide flexibility as part of the Managed Wind-Down. The Company is not seeking separate authority to sell such shares (or any of them) for cash (or its equivalent) and expects, ultimately, to cancel the shares. No dividends will be paid on treasury shares and no voting rights attach to them.

Resolution 10 gives the Company the authority to buy Ordinary shares up to a maximum of 14.99% of the issued Ordinary share capital of the Company (excluding treasury shares) as at the date of the passing of the resolution (approximately 45 million Ordinary shares). The minimum price which may be paid for an Ordinary share is 1p (exclusive of expenses). The maximum price (exclusive of expenses) which may be paid for the shares is the higher of a) 5% above the average of the middle market quotations of the Ordinary shares (as derived from the Daily Official List of the London Stock Exchange) for the shares for the five business days immediately preceding the date of purchase; and b) the higher of the price of the last independent trade and the highest current independent bid on the main market for the Ordinary shares.

This authority, if conferred, will expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, on 31 March 2026 (unless previously revoked, varied or extended by the Company in general meeting) and will be exercised only if it would result in an increase in net asset value per Ordinary share for the remaining shareholders and if it is in the best interests of shareholders as a whole.

Holding General Meetings on not less than 14 days' clear notice (Resolution 11)

Under the Companies Act 2006, the notice period for all general meetings of the Company is 21 clear days' notice. Annual general meetings will always be held on at least 21 clear days' notice but shareholders can approve a shorter notice period for other general meetings. Resolution 11, which is a special resolution, seeks the authority from shareholders for the Company to be able to hold general meetings (other than Annual General Meetings) on not less than 14 clear days' notice. The approval will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed. The Company will also need to meet the requirements for electronic voting under the Companies Act 2006 (as amended by the Shareholders' Rights Regulations) before it can call a general meeting on not less than 14 days' clear notice.

The Board believes that it is in the best interests of Shareholders to have the ability to call meetings on not less than 14 clear days' notice should an urgent matter arise. The Directors do not intend to hold a general meeting on less than 21 clear days' notice unless immediate action is required.

This power will expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, 31 March 2026 (unless previously revoked, varied or extended by the Company in general meeting).

Recommendation

The Directors consider that the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and its shareholders and recommend that shareholders vote in favour of the resolutions as they intend to do in respect of their own beneficial shareholdings, amounting to 318,885 Ordinary shares, representing 0.1% of the issued share capital (excluding treasury shares).

On behalf of the Board
Davina Walter
Chairman
20 January 2025

Statement of Corporate Governance

abrdn Diversified Income and Growth plc (the "Company") is committed to high standards of corporate governance. The Board is accountable to the Company's shareholders for good governance and this statement describes how the Company has applied the principles identified in the UK Corporate Governance Code as published in July 2018 (the "UK Code"), which is available on the Financial Reporting Council's (the "FRC") website: **frc.org.uk,** and is applicable for the Company's year ended 30 September 2024.

The Board has also considered the principles and provisions of the AIC Code of Corporate Governance as published in February 2019 (the "AIC Code"). The AIC Code addresses the principles and provisions set out in the UK Code, as well as setting out additional provisions on issues that are of specific relevance to the Company. The AIC Code is available on the AIC's website: **theaic.co.uk**.

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the FRC, provides more relevant information to shareholders.

The Board confirms that, during the year, the Company has complied with the principles and provisions of the AIC Code and the relevant provisions of the UK Code, except for those provisions relating to:

- the role and responsibility of the chief executive;
- executive directors' remuneration; and
- the requirement for an internal audit function.

The Board considers that these provisions are not relevant to the position of the Company being an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions.

Information on how the Company has applied the AIC Code, the UK Code, the Companies Act 2006 and the FCA's DTR 7.2.6 is provided in the Directors' Report and Audit Committee's Report as follows:

- the composition and operation of the Board and its Committees are detailed on pages 38 and 39 and, in respect of the Audit Committee, on page 48;
- the Board's policy on diversity is on page 37;
- the Company's approach to internal control and risk management is detailed on pages 48 and 49;
- the contractual arrangements with, and annual assessment of, the Manager are set out on page 38;
- the Company's capital structure and voting rights are summarised on page 36;
- the substantial interests disclosed in the Company's shares are listed on page 41;
- the rules concerning the appointment and replacement of Directors are contained in the Company's Articles of Association and are summarised on page 44. There are no agreements between the Company and its Directors concerning compensation for loss of office; and
- the powers to issue or buy back the Company's ordinary shares, which are sought annually, and any amendments to the Company's Articles of Association, require a special resolution (75% majority) to be passed by shareholders and information on these resolutions may be found on page 42.

On behalf of the Board
Davina Walter
Chairman
20 January 2025

Directors’ Remuneration Report

This Directors’ Remuneration Report comprises three parts:

i. a Remuneration Policy, which is subject to a binding shareholder vote every three years, or sooner if varied during this interval; most recently approved by shareholders in a poll at the AGM on 28 February 2023 where 91.4% of the votes were cast in favour of the relevant resolution while 8.6% were cast against. The Remuneration Policy will be put to shareholders at the AGM in 2026;

ii. an Implementation Report which is subject to an advisory vote on the level of remuneration paid during the year; and

iii. an Annual Statement.

The law requires the Company’s auditors to audit certain of the disclosures provided in the Directors’ Remuneration Report. Where disclosures have been audited, they are indicated as such. The auditors’ opinion is included in the report on pages 52 to 59.

Remuneration Policy

The Directors’ Remuneration Policy is determined by the full Board, chaired by Davina Walter, and a separate Remuneration Committee has not been established.

The Board’s policy is that the remuneration of non-executive Directors should be sufficient to attract and retain the Directors needed to oversee the Company properly and to reflect its specific circumstances. The remuneration should also reflect the nature of the Directors’ duties, responsibilities, the value of their time spent and be fair and comparable to that of other investment trusts that are similar in size, and have similar capital structures and similar investment objectives.

Fees paid to the directors of companies within the Company’s peer group are also taken into account and the Company Secretary provides the Directors with relevant comparative information.

The policy also provides that the Chairman of the Board and of each Committee may be paid a fee which is proportionate to the additional responsibilities involved in that position. In order to avoid conflicts of interest, each Director absents themselves from the consideration of their own fee. There were no changes to the Directors’ Remuneration Policy during the year nor are there any proposals for any changes in the foreseeable future.

No communications were received from shareholders regarding Directors’ remuneration during the year.

Limits on Directors’ Remuneration

Directors’ fees are set within the limits of the Company’s Articles of Association which limit the aggregate fees payable to the Board of Directors per annum. The current limit is £300,000 per annum which may only be increased by an ordinary resolution of shareholders.

The level of fees for the years ended 30 September 2024 and 2023 is set out in the following table. Fees are reviewed annually and increased, if considered appropriate.

	30 September 2024 £	30 September 2023 £
Chairman	**51,750**	48,400
Chairman of Audit Committee	**37,750**	35,400
Senior Independent Director	**34,250**	32,100
Director	**32,000**	29,900

Appointment

- The Company only intends to appoint non-executive Directors.
- All the Directors are non-executive and are appointed under the terms of Letters of Appointment.
- Directors must retire and be subject to election at the first Annual General Meeting after their appointment, and be subject to re-election at least every three years thereafter. Notwithstanding this, the Board has agreed that all Directors shall retire and, if eligible, stand for re-election at each AGM.
- Any Director newly appointed to the Board will receive the fee applicable to each of the other Directors at the time of appointment together with any other fee then currently payable in respect of a specific role which the new Director is to undertake for the Company.
- No incentive or introductory fees will be paid to encourage a person to become a Director.
- Directors are not eligible for bonuses, pension benefits, share options, long term incentive schemes or other benefits.
- Directors are entitled to reimbursement of out-of-pocket expenses incurred in connection with the performance of their duties, including travel expenses, which are considered to be taxable expenses.
- The Company indemnifies its Directors for all costs, charges, losses, expenses and liabilities which may be incurred in the discharge of duties as a Director of the Company.

Performance, Service Contracts, Compensation and Loss of Office

- The Directors' remuneration is not subject to any performance related fee.
- No Director has a service contract.
- No Director was interested in contracts with the Company during the period or subsequently.
- The terms of appointment provide that a Director may be removed without notice.
- Compensation will not be due upon leaving office.
- No Director is entitled to any other monetary payment or any assets of the Company.
- Directors' and Officers' liability insurance cover is maintained by the Company on behalf of the Directors.

It is the Board's intention that this Remuneration Policy applies for the three years to 30 September 2025.

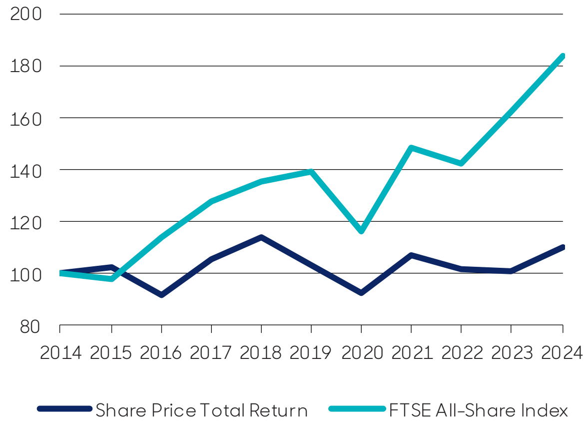
Implementation Report

Review of Directors' Fees

The level of Directors' fees was last revised with effect from 1 October 2023. The Board carried out a review of Directors' annual fees, by reference to inflation, as measured by the increase in the Consumer Prices Index for the year to 30 September 2024, and taking account of peer group comparisons by sector and by market capitalisation. Accordingly, it was concluded that Directors' fees would change, with effect from 1 October 2024, to the following rounded rates per annum: £55,000 (Chairman), £43,000 (Audit Committee Chairman/ Senior Independent Director) and £36,750 for each other Director.

Company Performance

The following graph shows the share price return (assuming all dividends are reinvested) to Ordinary shareholders compared to the total return of the FTSE All-share Index over the ten year period ended 30 September 2024 (rebased to 100 at 30 September 2014). This index was chosen for comparative purposes only.



Statement of Voting at General Meeting

At the Company's last AGM, held on 27 February 2024, shareholders approved, as Resolution 2, the Directors' Remuneration Report (other than the Directors' Remuneration Policy) in respect of the year ended 30 September 2023. The votes cast by poll on Resolution 2 are shown in the following table:

Resolution	For	Against	Withheld
Receive and adopt the Directors' Remuneration Report (excluding the Directors' Remuneration Policy)	98.9m (97.4%)	2.7m (2.6%)	710,892

Spend on Pay

As the Company has no employees, the Directors do not consider it appropriate to present a table comparing remuneration paid to Directors with distributions to shareholders. However, for ease of reference, the total fees paid to Directors are shown in the table on page 46 while dividends paid to shareholders are set out in note 8 and capital distributions to shareholders are detailed in note 15 .

Directors' Remuneration Report

Continued

Audited Information

Directors' Interests in the Company

The Directors are not required to have a shareholding in the Company. The Directors' shareholdings (including their connected persons), all of which are beneficial, had the following interest in the share capital of the Company as at 30 September 2023 and 30 September 2024.

	30 September 2024 Ordinary shares	30 September 2023 Ordinary shares
Davina Walter	**57,926**	37,387
Tom Challenor	**160,959**	160,264
Trevor Bradley	**75,000**	50,000
Alistair Mackintosh [A]	**25,000**	25,000
Anna Troup	**5,000** [B]	5,000

[A] Held via a family investment company
[B] As at date of retirement on 27 February 2024

There have been no changes to the Directors' interests in the share capital of the Company since 30 September 2024, up to the date of approval of this Report.

Fees Payable

The Directors who served during the year received the following fees, which exclude employers' National Insurance contributions. Fees are pro-rated where a change takes place during a financial year. There were no payments to third parties included in the fees referred to in the table. All fees are at a fixed rate and there is no variable remuneration. Taxable benefits refer to travel costs associated with Directors' attendance at Board and Committee meetings.

Audited Information

Directors' Remuneration

The Directors received the following remuneration in the form of fees and taxable expenses:

	Year ended 30 September 2024			Year ended 30 September 2023		
	Fees £	Taxable Expenses £	Total £	Fees £	Taxable Expenses £	Total £
Davina Walter	**51,750**	**276**	**52,026**	48,400	135	48,535
Tom Challenor (see note below)	**40,000**	**221**	**40,221**	37,600	132	37,732
Trevor Bradley	**32,000**	**452**	**32,452**	29,900	255	30,155
Anna Troup	**13,333**	**99**	**13,432**	29,900	40	29,940
Alistair Mackintosh	**32,000**	**162**	**32,162**	29,900	372	30,272
Total	**169,083**	**1,210**	**170,293**	175,700	934	176,634

Taxable expenses refer to amounts claimed by Directors for travelling to attend meetings. The above amounts exclude any employers' national insurance contributions, if applicable. All fees are at a fixed rate and there is no variable remuneration. Fees are pro-rated where a change takes place during a financial year. No payments were made to third parties. There are no other fees to disclose as the Company has no employees, chief executive or executive directors.

Tom Challenor is paid a composite annual fee, reflecting his position as Senior Independent Director and Chairman of the Audit Committee; this was equivalent to an annual fee of £40,000 for the year ended 30 September 2024 (2023 - £37,600). With effect from 1 October 2024, Tom Challenor's composite annual fee is £43,000.

Annual Percentage Change in Directors' Remuneration

The table below sets out, for the Directors who served during the Year, the annual percentage change in Directors' fees for the past three years.

	Year ended 30 September 2024	Year ended 30 September 2023	Year ended 30 September 2022	Year ended 30 September 2021	Year ended 30 September 2020
	Fees %	Fees %	Fees %	Fees %	Fees %
Davina Walter (appointed a Director on 1 February 2019, SID on 27 February 2019 and Chairman on 26 February 2020)	**6.9**	8.5	1.9	16.6	102.8
Tom Challenor (appointed a Director on 6 April 2017 and SID on 4 June 2021)	**6.4**	8.4	6.3	3.6	6.1
Trevor Bradley (appointed a Director on 1 August 2019)	**7.0**	8.7	1.9	1.9	511.6
Alistair Mackintosh (appointed a Director on 1 May 2021)	**7.0**	8.7	144.4	0.0	0.0
Anna Troup (appointed a Director on 1 August 2019); retired on 27 February 2024	**-55.4**	8.7	1.9	1.9	511.6

Annual Statement

On behalf of the Board and in accordance with Part 2 of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, it is confirmed that the above Remuneration Report summarises, as applicable, for the year ended 30 September 2024:

- the major decisions on Directors' remuneration;
- any substantial changes relating to Directors' remuneration made during the year; and
- the context in which the changes occurred and decisions have been taken, including management of any potential conflicts of interest arising and reflected any feedback from shareholders.

On behalf of the Board

Davina Walter
Chairman
20 January 2025

Report of the Audit Committee

The Audit Committee presents its Report for the year ended 30 September 2024.

Committee Composition

An Audit Committee has been established which was chaired by Tom Challenor throughout the year and consisted of the whole Board with the exception of Davina Walter. In compliance with July 2018 UK Code on Corporate Governance (the "Code"), the Chairman of the Board is not a member of the Committee but attends the Audit Committee by invitation of the Chairman.

The Directors have satisfied themselves that at least one of the Committee's members has recent and relevant financial experience - Tom Challenor is a Fellow of the Institute of Chartered Accountants in England & Wales - and that, collectively, the Audit Committee possesses competence appropriate for the investment trust sector.

Role of the Audit Committee

The principal role of the Audit Committee is to assist the Board in relation to the reporting of financial information, the review of financial controls and the management of risk. The Committee has defined terms of reference which are reviewed and re-assessed for their adequacy on at least an annual basis. Copies of the terms of reference are published on the Company's website and are available from the Company Secretary on request.

The Committee's main functions are listed below:

- to review and monitor the internal control systems and risk management systems (including review of non-financial risks) on which the Company is reliant (the Directors' statement on the Company's internal controls and risk management is set out below);
- to consider whether there is a need for the Company to have its own internal audit function;
- to monitor the integrity of the half-yearly and annual financial statements of the Company by reviewing, and challenging where necessary, the actions and judgements of the Manager;
- to review, and report to the Board on, the significant financial reporting issues and judgements made in connection with the preparation of the Company's financial statements, half-yearly financial reports, announcements and related formal statements;
- to review the content of the Annual Report and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- to meet with the auditors to review the proposed audit programme of work and the findings of the auditors. The Committee shall also use this as an opportunity to assess the effectiveness of the audit process;
- to develop and implement policy on the engagement of the auditors to supply non-audit services;
- to review a statement from the Manager detailing the arrangements in place within the Manager whereby staff may, in confidence, escalate concerns about possible improprieties in matters of financial reporting or other matters;
- to make recommendations in relation to the appointment of the auditors and to approve the remuneration and terms of engagement of the auditors; and
- to monitor and review the auditors' independence, objectivity, effectiveness, resources and qualification.

Activities During the Year

The Audit Committee met on three occasions during the year when, amongst other matters, it considered the Annual Report and the Half-Yearly Financial Report. Representatives of the Manager's internal audit department and risk and compliance department reported to the Committee on matters such as internal control systems, risk and the conduct of the business in the context of its regulatory environment.

Internal Control

There is an ongoing process, for identifying, evaluating and managing the Company's significant business and operational risks, which has been in place for the year ended 30 September 2024 and up to the date of approval of the Annual Report, which is regularly reviewed by the Committee and complies with the FRC's guidance on internal controls.

The Committee has overall responsibility for ensuring that there is a system of internal controls in place and a process for reviewing its effectiveness. Any system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The design, implementation and maintenance of controls and procedures to safeguard the assets of the Company and to manage its affairs properly extends to operational and compliance controls and risk management. The Audit

Committee has prepared its own risk controls self-assessment which lists potential risks relating to strategy; shareholders; Board; investment management; promotional activities; company secretarial; depositary; third party service providers and other external factors. The Committee considers the potential cause and possible effect of these risks as well as reviewing the controls in place to mitigate these potential risks.

Clear lines of accountability have been established between the Committee and the Manager. The Committee receives six-monthly reports from the Manager's risk and compliance and internal audit teams covering key performance and risk indicators and considers control and compliance issues brought to its attention. In carrying out its review, the Committee has had regard to the activities of the Manager, including its internal audit and compliance functions, and of the auditors.

The Committee has reviewed the Manager's process for identifying and evaluating the significant risks faced by the Company and the policies and procedures by which these risks are managed. The Committee has also reviewed the effectiveness of the Manager's system of internal control including its annual internal controls report prepared in accordance with the International Auditing and Assurance Standards Board's International Standard on Assurances Engagements ("ISAE") 3402, "Assurance Reports on Controls at a Service Organisation".

Risks are identified and documented through a risk management framework by each function within the Manager's activities. Risk is considered in the context of the FRC's guidance on internal controls and includes financial, regulatory, market, operational and reputational risk. This helps the internal audit risk assessment model identify those functions for review. Any weaknesses identified are reported to the Committee and timetables are agreed for implementing improvements to systems. The implementation of any remedial action required is monitored and feedback provided to the Committee.

The key components designed to provide effective internal control are outlined below:

- written agreements are in place which specifically define the roles and responsibilities of the Manager and other third party service providers;
- the Committee and Manager have agreed clearly defined investment criteria, specified levels of authority and exposure limits. Reports on these issues, including performance statistics and investment valuations, are regularly submitted to the Board;
- the Manager prepares forecasts and management accounts which allow the Board to assess the Company's activities and review its performance; the emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception;
- as a matter of course the Manager's compliance department continually reviews its operations; and
- at its meeting in November 2024, the Committee carried out an annual assessment of internal controls for the year ended 30 September 2024 by considering documentation from the Manager, including the internal audit and compliance functions, and taking account of events since 30 September 2024.

The Committee has considered the need for an internal audit function. However, the Company has no employees and the day-to-day management of the Company's assets has been delegated to the Manager which has its own compliance and internal control systems. The Committee has therefore decided to place reliance on those systems and internal audit procedures and has concluded that it is not necessary for the Company to have its own internal audit function.

Financial Statements and Significant Risks

During its review of the Company's financial statements for the year ended 30 September 2024, the Audit Committee considered, through review of reports and other documentation, the following significant issues, in particular those communicated by the auditors during its planning and reporting of the year end audit:

Valuation and Existence of Investments

How the issue was addressed – The Company's investments have been valued in accordance with the accounting policies, as disclosed in note 2(e) to the financial statements, which are consistent with the International Private Equity and Venture Capital Valuation Guidelines – Edition 2022. Within the FRS 102 Fair Value hierarchy, as set out in Note 19, investments are categorised as either Level 1, totalling £79,000 (2023 – £90.3m) or Level 3, totalling £182.4m (2023 – £198.5m). The portfolio holdings and their pricing is reviewed and verified by the Manager on a regular basis and management accounts, including a full portfolio listing, are prepared for each Board meeting. The Audit Committee rigorously challenges the assumptions underlying valuation of unlisted investments. The Company engages the services of an independent Depositary to hold the assets of the Company. The Depositary checks the consistency of its records with those of the Manager on a monthly basis and reports to the Committee on an annual basis.

Report of the Audit Committee

Continued

Recognition of Investment Income
How the issue was addressed – the recognition of investment income is undertaken in accordance with accounting policy note 2(b) to the financial statements. Special dividends are allocated to the capital or revenue accounts according to the nature of the payment and the intention of the underlying company. The Directors also review, at each meeting, the Company's income, including income received, revenue forecasts and dividend comparisons.

Maintenance of Investment Trust Status
How the issue was addressed – the Company has been approved as an investment trust under Sections 1158 and 1159 of the Corporation Tax Act 2010. Ongoing compliance with the eligibility criteria is monitored on a regular basis by the Manager and reported at each Committee meeting.

Allocation of finance costs and investment management fees

The Company's finance costs and investment management fees were charged 50% to capital and 50% to revenue during the year ended 30 September 2024. With effect from 1 October 2024, management fees will be charged 90% to capital and 10% to revenue, reflecting the Committee's currently anticipated split of future investment returns during the Managed Wind-Down of the Company.

Review of Auditors

The Audit Committee has reviewed the effectiveness of the auditors, PricewaterhouseCoopers LLP including:

- Independence – the auditors discuss with the Audit Committee, at least annually, the steps it takes to ensure its independence and objectivity and makes the Committee aware of any potential issues, explaining all relevant safeguards.
- Quality of audit work – including the ability to resolve issues in a timely manner (identified issues are satisfactorily and promptly resolved), its communications/presentation of outputs (the explanation of the audit plan, any deviations from it and the subsequent audit findings are comprehensive and comprehensible), and its working relationship with management (the auditors has a constructive working relationship with the Manager).
- Quality of people and service – including continuity and succession plans (the audit team is made up of sufficient, suitably experienced staff with provision made for knowledge of the investment trust sector and retention on rotation of the audit director).

In reviewing the auditors, the Committee also took into account the FRC's latest Audit Quality Inspection Report for PricewaterhouseCoopers LLP.

Audit Tender

This year's audit of the Company's Annual Report is the fifth performed by PricewaterhouseCoopers LLP since their appointment following an audit tender process held by the Company in 2019 and is therefore the fifth year for which the senior statutory auditor, Shujaat Khan, has served. The Committee anticipates that the Company will undertake an audit tender process not later than the year ended 30 September 2029.

Shareholders will have the opportunity to vote on the re-appointment of PricewaterhouseCoopers LLP as auditors, and their remuneration, as Resolutions 8 and 9 at the forthcoming AGM.

Provision of Non-Audit Services

The Committee has established a policy on the supply of non-audit services provided by the auditors. Such services are considered on an individual basis and may only be provided if the service is at a reasonable and competitive cost and does not constitute a conflict of interest or potential conflict of interest or prevent the auditors from remaining objective and independent. In addition, non-audit services will only be approved by the Committee if in compliance with the Financial Reporting Council's and UK Public Interest Entity's independence requirements. All non-audit services require the pre-approval of the Committee. There were no non-audit fees paid to the auditors during the year under review (2023 – total of £17,225, comprising £12,000 for the review of the Half-Yearly Financial Report and £5,225 in relation to covenant compliance requirements for the 6.25% Bonds 2031).

Tom Challenor
Chairman of the Audit Committee
20 January 2025

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements, in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' and applicable law.

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

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website but not for any information on the website that has been prepared or issued by third parties. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the directors, whose names and functions are listed in Board of Directors confirm that, to the best of their knowledge:

- the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit of the Company;
- in the opinion of the Directors, the Annual Report taken as a whole, is fair, balanced and understandable and it provides the information necessary to assess the Company's position and performance, business model and strategy; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that the Company faces.

On behalf of the Board,
Davina Walter
Chairman
20 January 2025

Independent Auditors' Report to the members of abrdn Diversified Income and Growth plc

Report on the audit of the financial statements

Opinion

In our opinion, abrdn Diversified Income and Growth plc's financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2024 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Statement of Financial Position as at 30 September 2024; the Statement of Comprehensive Income; the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

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

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the Company in the period under audit.

Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the Company's ability to continue as a going concern. The timing of the realisation of the Company's private market investments, as part of its Managed Wind Down, remains uncertain. These conditions, along with the other matters explained in note 2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- obtaining and evaluating the Directors' going concern assessment.
- reviewing meetings minutes of the Board of Directors.
- assessing the disclosures presented in the Annual Report, including the Viability Statement and the Going Concern statement, and assessing their consistency with the Financial Statements and the evidence we obtained in our audit.
- assessing the adequacy of the Directors' cash flow assessment with a focus on available liquid resources and outflows expected.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, other than the material uncertainty identified in note 2 to the financial statements, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting, or in respect of the directors' identification in the financial statements of any other material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our audit approach

Overview

Audit scope

- We conducted our audit of the financial statements using information from the Alternative Investment Fund Manager (AIFM) to whom the Directors have delegated the provision of all administrative functions.
- We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of the third party referred to above, the accounting processes and controls, and the industry in which the Company operates.
- We obtained an understanding of the control environment in place at both the AIFM and the Administrator, and adopted a fully substantive testing approach using reports obtained from the AIFM.

Key Audit Matters

- Material uncertainty related to going concern
- Valuation and existence of investments
- Income from investments

Materiality

- Overall materiality: £2.03m (2023: £3.4m) based on approximately 1% of Net Assets
- Performance materiality: £1.52m (2023: £2.54m)

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

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

In addition to going concern, described in the Material uncertainty related to going concern section above, we determined the matters described below to be the key audit matters to be communicated in our report. This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Valuation and existence of investments Refer to the Report of the Audit Committee, the Accounting Policies and the Notes to the Financial Statements. Level 1 and 2 investments at the year end are valued at £0.079m. Level 3 investments at year end were valued at £182m. We focused on the valuation and existence of investments because they represent the principal element of the net asset value of the Company as disclosed on the Statement of Financial Position. In addition, the valuation of Level 3	Investments for which a market price is not readily available (Level 3) We understood and evaluated the valuation methodology applied by the Directors, in consultation with the AIFM, by reference to the International Private Equity and Venture Capital Valuation guidelines (IPEV) and the requirements of UK GAAP. Furthermore, our testing of Level 3 investments included: Obtaining a reconciliation of the investments that summarised year on year movements including any drawdowns and distributions in the period; Checking that the valuations used in the financial statements were consistent with the Company's accounting records including the reconciliation of investments; Checking the accuracy of the valuations recorded by the client to underlying investment manager valuation reports; We obtained independent confirmation from underlying investment managers to confirm ownership and existence of investments as at 30 September 2024;

Independent Auditors' Report to the members of abrdn Diversified Income and Growth plc

Continued

Key audit matter	How our audit addressed the key audit matter
investments requires judgement to be applied by the Directors in considering the reliability and valuation basis of underlying investment manager valuation statements.	We considered the methodology and valuation approach applied by investment managers to check that it was in line with the requirements of IPEV; In addition, for certain investments, we engaged our internal valuation experts to consider whether the year to year movement in valuations were considered to be appropriate and whether any publicly available evidence contradicted the valuations recorded. No material misstatements were identified.
Income from investments Refer to the Report of the Audit Committee, the Notes to the Financial Statements and to the Accounting Policies. ISAs (UK) presume there is a risk of fraud in income recognition because of the pressure management may feel to achieve a certain objective. In this instance, we consider that 'income' refers to all the Company's income streams, both revenue and capital (including gains and losses on investments). Income from investments comprised dividend income, fixed interest income, distributions from Level 3 investments, and gains and losses on investments. We focused on the accuracy, completeness and occurrence of investment income recognition as incomplete or inaccurate income could have a material impact on the Company's net asset value and return for the year. We also focused on the accounting policy for investment income recognition and the presentation of investment income in the Income Statement for compliance with the requirements of The Association of Investment Companies Statement of Recommended Practice (the "AIC SORP"), as incorrect application could indicate a misstatement in income recognition.	We assessed the revenue recognition accounting policy applied for compliance with UK GAAP and the AIC SORP and performed testing to check that income had been accounted for in accordance with this stated accounting policy. Dividend Income We tested the accuracy of dividend receipts by agreeing the dividend rates from investments to independent market data for all investments for which distribution information was publicly available. To test for completeness, we tested that the appropriate dividends had been received in the year by reference to independent data of dividends for all listed investments during the year, and no unrecorded dividends were found. To test the occurrence assertion, we tested that all dividends recorded in the year had been declared in the market by investment holdings, and we traced a sample of dividends received to bank statements. We also tested the allocation and presentation of dividend income between the revenue and capital return columns of the Income Statement in line with the requirements set out in the AIC SORP by determining reasons behind dividend distributions. No material misstatements were identified. Fixed Interest income We tested fixed interest income for a sample of investments by recalculating the expected coupon interest and amortisation, using the opening and closing portfolios and coupon rates and maturity dates obtained from independent third-party sources. No material misstatements were identified.

Key audit matter	How our audit addressed the key audit matter
	Unquoted Limited Partnership income For a sample of distributions from unlisted investments recorded in the period we tested the accuracy and occurrence of the amounts by agreeing the amounts to distribution notices and bank statements. No material misstatements were identified. Gains and losses on investments The gains and losses on investments held at fair value comprise realised and unrealised gains and losses. We tested the valuation of the Level 3 investments at the year-end (see above) as part of our work over unrealised gains and losses, together with testing the reconciliation of opening and closing investments. Additionally, for any realised gains and losses, we tested a sample of disposal proceeds by agreeing the proceeds to bank statements and we re-performed the calculation of a sample of realised gains and losses. No material misstatements were identified.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the Company's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the Company’s financial statements.

Independent Auditors' Report to the members of abrdn Diversified Income and Growth plc

Continued

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall Company materiality	£2.03m (2023: £3.4m)
How we determined it	approximately 1% of Net Assets.
Rationale for benchmark applied	We believe that net assets is the primary measure used by the shareholders in assessing the performance of the entity, and is a generally accepted auditing benchmark. This benchmark provides an appropriate and consistent year on year basis for our audit.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to £1.52m (2023: £2.54m) for the Company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £101,000 (2023: £169,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on our work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 September 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Directors' Remuneration

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

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the Statement of Corporate Governance is materially consistent with the financial statements and our knowledge obtained during the audit, and, except for the matters reported in the section headed 'Material uncertainty related to going concern', we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the Company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Company and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Independent Auditors’ Report to the members of abrdn Diversified Income and Growth plc

Continued

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors’ responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of section 1158 of the Corporation Tax Act 2010 and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue (investment income and capital gains) or to increase net asset value, and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- consideration of known or suspected instances of non-compliance with laws and regulation and fraud where applicable;
- reviewing relevant meeting minutes, including those of the Board and the Audit Committee;
- assessment of the Company's compliance with the requirements of section 1158 of the Corporation Tax Act 2010;
- challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the valuation of Level 3 investments;
- identifying and testing journal entries, in particular a sample of manual year end journal entries posted during the preparation of the financial statements; and
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: **www.frc.org.uk/auditorsresponsibilities.** This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the members on 26 February 2020 to audit the financial statements for the year ended 30 September 2020 and subsequent financial periods. The period of total uninterrupted engagement is 5 years, covering the years ended 30 September 2020 to 30 September 2024.

Shujaat Khan (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
20 January 2025

Financial Statements

Statement of Comprehensive Income

		Year ended 30 September 2024			Year ended 30 September 2023		
	Note	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Losses on investments	10	–	(16,112)	(16,112)	–	(24,549)	(24,549)
Foreign exchange gains		–	5,601	5,601	–	13,297	13,297
Income	3	15,638	–	15,638	17,163	–	17,163
Investment management fees	4	(474)	(474)	(948)	(563)	(563)	(1,126)
Administrative expenses	5	(1,006)	(503)	(1,509)	(1,146)	(38)	(1,184)
Net return/(loss) before finance costs and taxation		14,158	(11,488)	2,670	15,454	(11,853)	3,601
Finance costs	6	(284)	(3,043)	(3,327)	(524)	(524)	(1,048)
Net return/(loss) before taxation		13,874	(14,531)	(657)	14,930	(12,377)	2,553
Taxation	7	(2,961)	(37)	(2,998)	(1,678)	(1,174)	(2,852)
Return/(loss) attributable to equity shareholders		10,913	(14,568)	(3,655)	13,252	(13,551)	(299)
Return/(loss) per Ordinary share (pence)	9	3.62	(4.83)	(1.21)	4.35	(4.45)	(0.10)

The total column of the Statement of Comprehensive Income is the profit and loss account of the Company. There has been no other comprehensive income during the year, accordingly, the return/(loss) attributable to equity shareholders is equivalent to the total comprehensive income/(loss) for the year.

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

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

Statement of Financial Position

	Note	As at 30 September 2024 £'000	As at 30 September 2023 £'000
Non-current assets			
Investments at fair value through profit or loss	10	**182,525**	339,972
		182,525	339,972
Current assets			
Other debtors and receivables	11	**633**	1,549
Derivative financial instruments		**–**	87
Cash and cash equivalents	12	**22,300**	21,025
		22,933	22,661
Creditors: amounts falling due within one year			
Derivative financial instruments		**–**	(5,702)
Other payables	13	**(2,152)**	(1,667)
		(2,152)	(7,369)
Net current assets		**20,781**	15,292
Total assets less current liabilities		**203,306**	355,264
Non-current liabilities			
Creditors: amounts falling due after more than one year			
6.25% Bonds 2031	14	**–**	(15,730)
Net assets		**203,306**	339,534
Capital and reserves			
Called up share capital	15	**3,238**	80,938
Share premium account		**–**	116,556
Capital redemption reserve		**114,768**	37,043
Special distributable reserve		**1,763**	–
Capital reserve	16	**55,149**	69,717
Revenue reserve		**28,388**	35,280
Total shareholders' funds		**203,306**	339,534
Net asset value per Ordinary share (pence)	17	**67.48**	112.70

The financial statements on pages 61 to 91 were approved by the Board of Directors and authorised for issue on 20 January 2025 and were signed on its behalf by:

Davina Walter, Chairman

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

Statement of Changes in Equity

For the year ended 30 September 2024

	Note	Ordinary Share capital £'000	B share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Special distributable reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 October 2023		80,938	–	116,556	37,043	–	69,717	35,280	339,534
Return/(loss) after taxation		–	–	–	–	–	(14,568)	10,913	(3,655)
B shares issued during the year	15	–	114,768	–	–	–	–	–	114,768
B shares redeemed during the year	15	–	(114,768)	–	114,768	(114,768)	–	–	(114,768)
Return of capital to B shareholders	15	–	–	–	–	(114,768)	–	–	(114,768)
Cancellation and reduction of Ordinary shares	15	(77,700)	–	(116,556)	(37,043)	231,299	–	–	–
Dividends paid	8	–	–	–	–	–	–	(17,805)	(17,805)
Balance at 30 September 2024		3,238	–	–	114,768	1,763	55,149	28,388	203,306

For the year ended 30 September 2023

	Note	Ordinary Share capital £'000	B share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Special distributable reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 October 2022 (*restated)[A]		84,438	–	116,556	33,543	–	89,560	39,261	363,358
Return/(loss) after taxation		–	–	–	–	–	(13,551)	13,252	(299)
Ordinary shares purchased for treasury	15	–	–	–	–	–	(6,292)	–	(6,292)
Ordinary shares cancelled from treasury	15	(3,500)	–	–	3,500	–	–	–	–
Dividends paid	8	–	–	–	–	–	–	(17,233)	(17,233)
Balance at 30 September 2023		80,938	–	116,556	37,043	–	69,717	35,280	339,534

[A] Restated in the financial statements for the year ended 30 September 2024 to reflect a transfer of £6,914,000 from called up share capital to the capital redemption reserve following the cancellation of 27,659,068 Ordinary shares of 25p from treasury on 31 March 2021.
The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows

	Note	Year ended 30 September 2024 £'000	Year ended 30 September 2023 £'000
Operating activities			
Net return before finance costs and taxation		**2,670**	3,601
Adjustments for:			
Dividend income		**(3,306)**	(7,341)
Distribution income		**(8,935)**	(6,815)
Fixed interest income		**(1,074)**	(2,643)
Treasury bill income		**(1,140)**	–
Interest income		**(1,177)**	(344)
Other income		**(6)**	(20)
Dividends received		**3,434**	7,349
Distributions received		**8,914**	6,815
Fixed interest income received		**1,652**	2,540
Treasury bill income received		**1,140**	–
Interest received		**1,145**	294
Other income received		**6**	20
(Gains)/losses on forward contracts		**(5,615)**	693
Foreign exchange losses		**154**	88
Losses on investments		**16,166**	24,549
(Increase)/decrease in other debtors		**(7)**	23
(Decrease)/increase in accruals		**(482)**	204
Corporation tax paid		**(1,923)**	(1,110)
Taxation released/(withheld)		**120**	(550)
Net cash flow from operating activities		**11,736**	27,353
Investing activities			
Purchases of investments		**(182,809)**	(102,128)
Sales of investments		**324,187**	113,246
Net cash flow from investing activities		**141,378**	11,118
Financing activities			
Redemption of B shares		**(114,768)**	–
Redemption of 6.25% Bond		**(18,508)**	–
Purchase of own shares to treasury		**–**	(6,292)
Interest paid		**(604)**	(1,012)
Equity dividends paid	8	**(17,805)**	(17,233)
Net cash flow used in financing activities		**(151,685)**	(24,537)
Increase in cash and cash equivalents		**1,429**	13,934
Analysis of changes in cash and cash equivalents during the year			
Opening balance		**21,025**	7,179
Foreign exchange		**(154)**	(88)
Increase in cash and cash equivalents as above		**1,429**	13,934
Closing balance		**22,300**	21,025
Represented by:			
Money market funds		**20,516**	12,450
Cash at bank and in hand		**1,784**	8,575
		22,300	21,025

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

Notes to the Financial Statements

For the year ended 30 September 2024

1. Principal activity

The Company is a closed-end investment company, registered in Scotland No SC003721, with its Ordinary shares having a listing on the London Stock Exchange.

2. Accounting policies

(a) **Basis of preparation.** The financial statements have been prepared in accordance with Financial Reporting Standard 102 – the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), the Companies Act 2006 and the Association of Investment Companies ('AIC') Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the 'SORP') issued in July 2022. They have also been prepared on a going concern basis and on the assumption that approval as an investment trust will continue to be granted.

The financial statements are presented in sterling (rounded to the nearest £'000), which is the Company's functional and presentation currency. The Company's performance is evaluated and its liquidity is managed in sterling. Therefore sterling is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

Going concern. During the year, the shareholders of the Company voted in favour of the Directors' proposals for a Managed Wind-Down of the Company. Further to a circular published on 5 December 2024, a General Meeting of the Company was held on 23 December 2024 at which shareholders approved the adoption of new Articles of Association which removed the requirement for the Company to hold an annual continuation vote.

The Directors are mindful of the principal risks and uncertainties disclosed on pages 9 and 10 and have reviewed forecasts detailing revenue, liabilities and timing of capital commitments. The Directors are satisfied that: the Company is able to meet all of its liabilities from its assets, including its ongoing charges, so possesses sufficient resources to continue in operational existence for the foreseeable future and at least 12 months from the date of approval of this Annual Report; the Company is financially sound; and the Company's key third party service providers had in place appropriate business continuity plans.

Therefore, the financial statements of the Company have been prepared on a going concern basis. This conclusion is consistent with the Company's Viability Statement on pages 11 and 12. The timing, however, of the realisation of the Company's private markets investments, as part of its Managed Wind Down, remains uncertain.

In accordance with the SORP guidance, the Directors note that these conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The Company's financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern, such as a liquidation provision or potential adjustments to carrying values of investments relating to their realisation in due course.

Significant accounting judgements, estimates and assumptions. The preparation of financial statements requires the use of certain significant accounting judgements, estimates and assumptions which require Directors to exercise judgement in the process of applying the accounting policies. The areas where judgements, estimates and assumptions have the most significant effect on the amounts recognised in the financial statements are the determination of the fair value of unlisted investments, as disclosed in note 2(e).

(b) **Income.** Dividend income receivable on equity shares is recognised on the ex-dividend date. Dividend income on equity shares where no ex-dividend date is quoted is brought into account when the Company's right to receive payment is established. Where the Company has elected to receive dividends in the form of additional shares rather than in cash the amount of the cash dividend foregone is recognised as income. Special dividends are credited to capital or revenue according to their circumstances. Dividend income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the Statement of Comprehensive Income.

Distributions of non-recallable capital received from unlisted holdings during their investment phase, which have been funded through profits being generated, are allocated to revenue in alignment with the nature of the underlying source of income and in accordance with guidance in the AIC SORP.

The fixed returns on debt instruments are recognised using the time apportioned accruals basis and the discount or premium on acquisition is amortised or accreted on a straight line basis. Interest income is accounted for on an accruals basis. Underwriting commission is recognised when the issue underwritten closes.

(c) **Expenses**. All expenses are recognised on an accruals basis. Expenses are charged through the revenue column of the Statement of Comprehensive Income except as follows:

– expenses which are incidental to the acquisition or disposal of an investment are treated as capital and separately identified and disclosed in note 10;

– the Company charges 50% of investment management fees and finance costs to capital, in accordance with the Board's view at that time of the expected long term return in the form of capital gains and income respectively from the investment portfolio of the Company. With effect from 1 October 2024, management fees will be charged 90% to capital and 10% to revenue, reflecting the currently anticipated split of future investment returns during the Managed Wind-Down of the Company.

In accordance with the investment management agreement, where applicable, an amount equivalent to the management fee received by the Manager on the underlying holding which is managed by the Group in the normal course of business, is either removed from or offset against the management fee payable by the Company to ensure that no double counting occurs.

(d) **Taxation**. The tax expense represents the sum of tax currently payable and deferred tax. Any tax payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that were applicable at the Statement of Financial Position date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date, where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the Statement of Financial Position date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the financial statements which are capable of reversal in one or more subsequent periods. Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the Statement of Financial Position date.

The tax effect of different items of income/gain and expenditure/loss is allocated between capital and revenue within the Statement of Comprehensive Income on the same basis as the particular item to which it relates using the Company's effective rate of tax for the year. The SORP recommends that the benefit of that tax relief should be allocated to capital and a corresponding charge made to revenue. The Company does not apply the marginal method of allocation of tax relief as any allocation of tax relief between capital and revenue would have no impact on shareholders' funds. Had this allocation been made, the charge to revenue and corresponding credit to capital for the year ended 30 September 2024 would have been £190,000 (2023 – £1,122,000).

(e) Investments. The Company has chosen to apply the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and Measurement and investments have been designated upon initial recognition at fair value through profit or loss. This is done because all investments are considered to form part of a group of financial assets which is evaluated on a fair value basis, in accordance with the Company's documented investment strategy, and information about the grouping is provided internally on that basis.

Investments are recognised and de-recognised at trade date where a purchase or sale is under a contract whose terms require delivery within the timeframe established by the market concerned, and are measured initially at fair value. Subsequent to initial recognition, investments are valued at fair value through profit or loss. For listed investments, this is deemed to be bid market prices or closing prices for SETS (London Stock Exchange's electronic trading service) stocks sourced from the London Stock Exchange.

Unlisted investments, including those in Limited Partnerships ('LPs') are valued by the Directors at fair value using International Private Equity and Venture Capital Valuation Guidelines – Edition 2022.

The Company's investments in LPs are subject to the terms and conditions of the respective investee's offering documentation. The investments in LPs are valued based on the reported Net Asset Value ('NAV') of such assets as determined by the administrator or General Partner of the LP and adjusted by the Directors in consultation with the Manager to take account of concerns such as liquidity so as to ensure that investments held at fair value through profit or loss are carried at fair value. The reported NAV is net of applicable fees and expenses including carried interest amounts of the investees and the underlying investments held by each LP are accounted for, as defined in the respective investee's offering documentation. While the underlying fund managers may utilise various model-based approaches to value their investment portfolios, on which the Company's valuations are based, no such models are used directly in the preparation of fair values of the investments. The NAV of LPs reported by the administrators may subsequently be adjusted when such results are subject to audit and audit adjustments may be material to the Company.

Gains and losses arising from changes in fair value are treated in net profit or loss for the period as a capital item in the Statement of Comprehensive Income and are ultimately recognised in the capital reserve.

(f) Borrowings. Borrowings are measured initially at the fair value of the consideration received, net of any issue expenses, and subsequently at amortised cost using the effective interest rate method. The finance costs of such borrowings are accounted for on an accruals basis using the effective interest rate method and have been charged 50% to revenue and 50% to capital in the Statement of Comprehensive Income up to 30 September 2024 to reflect the Company's investment policy and prospective income and capital growth. With effect from 1 October 2024, management fees will be charged 90% to capital and 10% to revenue, reflecting the currently anticipated split of future investment returns during the Managed Wind-Down of the Company.

(g) Nature and purpose of reserves

Called up share capital. The Ordinary and B share capital on the Statement of Financial Position relates to the number of shares in issue and in treasury. Only when the shares are cancelled, either from treasury or directly, is a transfer made to the capital redemption reserve. This reserve is not distributable.

Share premium account. The balance classified as share premium includes the premium above nominal value from the proceeds on issue of any equity share capital comprising Ordinary shares. This reserve was cancelled during the year.

Capital redemption reserve. The capital redemption reserve is used to record the amount equivalent to the nominal value of any of the Company's Ordinary and B shares purchased and cancelled in order to maintain the Company's capital. This reserve is not distributable.

Special distributable reserve. On 7 June 2024 the Court approved the creation of a Special distributable reserve by way of cancelling the £116,556,000 share premium account, the £37,043,000 capital redemption reserve and reducing the nominal value of each of its ordinary shares from 25p to 1p. This reserve is available for the Company to return capital to shareholders and the redemption of B shares.

Capital reserve. This reserve reflects any gains or losses on investments realised in the period along with any movement in the fair value of investments held that have been recognised in the Statement of Comprehensive Income. These include gains and losses from foreign currency exchange differences. Additionally, expenses, including finance costs, are charged to this reserve in accordance with (c) and (f) above. The capital reserve is distributable to the extent unrealised gains/losses arising from unlisted investments are excluded.

Revenue reserve. This reserve reflects all income and costs which are recognised in the revenue column of the Statement of Comprehensive Income. The revenue reserve represents the amount of the Company's reserves distributable by way of dividend.

When making a distribution to shareholders, the Directors determine profits available for distribution by reference to 'Guidance on realised and distributable profits under the Companies Act 2006' issued by the Institute of Chartered Accountants in England and Wales and the Institute of Chartered Accountants of Scotland in April 2017. The availability of distributable reserves in the Company is dependent on those dividends meeting the definition of qualifying consideration within the guidance and on available cash resources of the company and other accessible sources of funds. The distributable reserves are therefore subject to any future restrictions or limitations at the time such distribution is made.

(h) **Valuation of derivative financial instruments**. Derivatives are classified at fair value through profit or loss – held for trading. Derivatives are initially accounted and measured at fair value on the date the derivative contract is entered into and subsequently measured at fair value. The gain or loss on re-measurement is taken to the Statement of Comprehensive Income. The sources of the return under the derivative contract are allocated to the revenue and capital column of the Statement of Comprehensive Income in alignment with the nature of the underlying source of income and in accordance with guidance in the AIC SORP.

(i) **Dividends payable**. Dividends payable to equity shareholders are recognised in the financial statements when they have been approved by shareholders and become a liability of the Company. Interim dividends are recognised in the financial statements in the period in which they are paid.

(j) **Foreign currency.** Monetary assets and liabilities and non-monetary assets held at fair value denominated in foreign currencies are converted into sterling at the rate of exchange ruling at the reporting date. Transactions during the year involving foreign currencies are converted at the rate of exchange ruling at the transaction date. Gains or losses arising from a change in exchange rates subsequent to the date of a transaction are included as a currency gain or loss in revenue or capital in the Statement of Comprehensive Income, depending on whether the gain or loss is of a revenue or capital nature.

(k) **Treasury shares**. When the Company purchases the Company's equity share capital to be held as treasury shares, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effects, and is recognised as a deduction from the capital reserve. When these shares are sold subsequently, the amount received is recognised as an increase in equity, and any resulting surplus on the transaction is transferred to the share premium account and any resulting deficit is transferred from the capital reserve.

(l) **Cash and cash equivalents.** Cash comprises cash at bank. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to insignificant risk of change in value.

(m) **Segmental reporting**. The Directors are of the opinion that the Company is engaged in a single segment of business activity, being investment business. Consequently, no business segmental analysis is provided.

3. Income

	2024 £'000	2023 £'000
Income from investments		
UK listed dividends	**436**	1,988
Overseas listed dividends	**2,870**	5,353
Unquoted Limited Partnership income	**8,935**	6,815
Treasury bill income	**1,140**	–
Fixed interest income	**1,074**	2,643
	14,455	16,799
Other income		
Deposit interest	**108**	216
Interest from money market funds	**1,069**	128
Other income	**6**	20
	1,183	364
Total income	**15,638**	17,163

4. Investment management fees

	2024			2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fee	**474**	**474**	**948**	563	563	1,126

The investment management fee has been levied by abrdn Fund Managers Limited ("aFML") at the following tiered levels:

- 0.50% per annum in respect of the first £300 million of the net asset value (with the 6.25% Bonds 2031 at fair value); and

- 0.45% per annum in respect of the balance of the net asset value (with the 6.25% Bonds 2031 at fair value).

The Company also receives rebates in respect of underlying investments in other funds managed by the Group (where an investment management fee is charged by the Group on that fund) in the normal course of business to ensure that no double counting occurs. Any investments made in funds managed by the Manager which themselves invest directly into alternative investments including, but not limited to, infrastructure and property are charged at the Manager's lowest institutional fee rate. To avoid double charging, such investments are excluded from the overall management fee calculation.

At the year end, an amount of £90,000 (2023 - £179,000) was outstanding in respect of management fees due by the Company.

Notes to the Financial Statements

Continued

5. Administrative expenses

	2024			2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Directors' remuneration	**169**	**-**	**169**	176	–	176
Custody fees	**25**	**-**	**25**	28	–	28
Depositary fees	**42**	**-**	**42**	43	–	43
Shareholders' services[A]	**141**	**-**	**141**	388	–	388
Registrar's fees	**63**	**-**	**63**	63	–	63
Transaction costs	**-**	**3**	**3**	–	38	38
Legal and professional fees	**126**	**500**	**626**	109	–	109
Printing and postage	**55**	**-**	**55**	54	–	54
Irrecoverable VAT	**137**	**-**	**137**	38	–	38
Auditor's remuneration:						
- statutory audit	**131**	**-**	**131**	125	–	125
- other non-audit services						
report in respect of Bond covenant compliance	**-**	**-**	**-**	5	–	5
review of Half-yearly Report	**-**	**-**	**-**	12	–	12
Other expenses	**117**	**-**	**117**	105	–	105
	1,006	**503**	**1,509**	1,146	38	1,184

[A] Includes registration, savings scheme and other wrapper administration and promotional expenses, of which £141,000 (2023 - £388,000) was payable to aFML to cover promotional activities during the year. There was £121,000 (2023 - £337,000) due to aFML in respect of these promotional activities at the year end.

6. Finance costs

	2024			2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
6.25% Bonds 2031	**282**	**282**	**564**	521	521	1,042
Loss on early repayment (note 14)	**–**	**2,759**	**2,759**	–	–	–
Bank interest	**2**	**2**	**4**	3	3	6
	284	**3,043**	**3,327**	524	524	1,048

7. Taxation

	2024			2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(a) Analysis of charge for the year						
Current UK tax	**2,983**	**–**	**2,983**	1,656	–	1,656
Double taxation relief	**(10)**	**–**	**(10)**	(32)	–	(32)
Overseas tax suffered	**(12)**	**37**	**25**	54	7	61
Current tax charge for the year	**2,961**	**37**	**2,998**	1,678	7	1,685
Movement in deferred tax asset	**–**	**–**	**–**	–	1,167	1,167
Total tax charge for the year	**2,961**	**37**	**2,998**	1,678	1,174	2,852

(b) **Factors affecting the tax charge for the year.** The tax assessed for the year is lower than the standard rate of corporation tax of 25% (2023 – effective rate 22%). The differences are explained as follows:

	2024			2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net return/(loss) before taxation	**13,874**	**(14,531)**	**(657)**	14,930	(12,377)	2,553
Net return/(loss) before taxation multiplied by the standard rate of corporation tax of 25.0% (2023 – 22.0%)	**3,469**	**(3,633)**	**(164)**	3,285	(2,723)	562
Effects of:						
Non taxable losses on investments held at fair value through profit or loss	**–**	**4,028**	**4,028**	–	5,401	5,401
Exchange gains not taxable	**–**	**(1,400)**	**(1,400)**	–	(2,926)	(2,926)
Non taxable UK dividend income	**(147)**	**–**	**(147)**	(157)	–	(157)
Non taxable overseas dividend income	**(149)**	**–**	**(149)**	(350)	–	(350)
Disallowable expenses	**–**	**815**	**815**	–	–	–
Overseas tax suffered	**(12)**	**37**	**25**	54	7	61
Double taxation relief	**(10)**	**–**	**(10)**	(32)	–	(32)
Utilisation of excess management expenses	**–**	**–**	**–**	–	(874)	(874)
Effect of not applying the marginal method of allocation of tax relief	**(190)**	**190**	**–**	(1,122)	1,122	–
Movement in deferred tax asset	**–**	**–**	**–**	–	1,167	1,167
	2,961	**37**	**2,998**	1,678	1,174	2,852

Notes to the Financial Statements

Continued

(c) **Factors that may affect future tax charges**. At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £nil (2023 – £nil) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

8. Ordinary dividends on equity shares

	2024 £'000	2023 £'000
Third interim dividend for 2023 – 1.42p (2022 – 1.40p)	**4,278**	4,319
Special dividend for 2023 – 1.65p (2022 –nil)	**4,971**	–
Fourth interim dividend for 2023 – 1.42p (2022 – 1.40p)	**4,278**	4,314
First interim dividend for 2024 – 1.42p (2023 – 1.42p)	**4,278**	4,322
Second interim dividend for 2024 – 1.95p (2023 – 1.42p)	**–**	4,278
	17,805	17,233

Set out below are the total dividends paid and proposed in respect of the financial year, which is the basis on which the requirements of Sections 1158 and 1159 of the Corporation Tax Act 2010 are considered. The revenue available for distribution by way of dividend for the year is £10,913,000 (2023 – £13,252,000).

	2024 £'000	2023 £'000
First interim dividend for 2024 – 1.42p (2023 – 1.42p)	**4,278**	4,322
Second interim dividend for 2024 – 1.95p (2023 – 1.42p)	**5,875**	4,278
Third interim dividend for 2024 – n/a (2023 – 1.42p)	**–**	4,278
Fourth interim dividend for 2024 – n/a (2023 – 1.42p)	**–**	4,278
Special dividend for 2024 – n/a (2023 –1.65p)	**–**	4,971
	10,153	22,127

9. Return per Ordinary share

	2024 p	2023 p
Revenue return	**3.62**	4.35
Capital return	**(4.83)**	(4.45)
Total loss	**(1.21)**	(0.10)

The figures above are based on the following:

	2024 £'000	2023 £'000
Revenue return	**10,913**	13,252
Capital return	**(14,568)**	(13,551)
Total loss	**(3,655)**	(299)

Weighted average number of shares in issue[A]	**301,265,952**	304,340,151

[A] Calculated excluding shares held in treasury.

10. Investments

	2024 £'000	2023 £'000
Held at fair value through profit or loss		
Opening valuation	**339,972**	373,732
Opening investment holdings gains	**(10,772)**	(31,812)
Opening book cost	**329,200**	341,920
Movements during the year:		
Purchases at cost	**182,809**	102,128
Sales – proceeds	**(324,162)**	(111,509)
Sales – losses	**(8,195)**	(3,509)
Dilution of fixed income book cost	**18**	170
Closing book cost	**179,670**	329,200
Closing investment holdings gains	**2,855**	10,772
Closing valuation of investments	**182,525**	339,972

The portfolio valuation[A]	2024 £'000	2023 £'000
UK equities	–	91,499
Overseas equities	**79**	18,125
Fixed interest	–	29,619
Loan investments	–	2,279
Unlisted holdings	**182,446**	198,450
	182,525	339,972

[A] The portfolio valuation includes pooled investment vehicles and collective investment schemes.

Losses on investments	2024 £'000	2023 £'000
Realised losses	**(8,195)**	(3,509)
Net movement in investment holdings losses	**(7,917)**	(21,040)
	(16,112)	(24,549)

The Company received £324,162,000 (2023 – £111,509,000) from investments sold in the period. The book cost of these investments when they were purchased was £332,357,000 (2023 – £115,018,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of investments.

Transaction costs. During the year expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. These have been expensed through capital and are included within losses on investments in the Statement of Comprehensive Income. The total costs were as follows:

	2024 £'000	2023 £'000
Purchases	**6**	68
Sales	**69**	43
	75	111

The above transaction costs are calculated in line with the AIC SORP. The transaction costs in the Company's Key Information Document are calculated on a different basis and in line with the PRIIPs regulations.

Substantial holdings. At the year end the Company held more than 3% of a share class in the following investees:

Investee	Class	% of Class
Aberdeen Global Infrastructure Partners II	AUD	11
Aberdeen European Residential Opportunities Fund	B	84
Aberdeen Property Secondaries Partners II	A-1	21
Aberdeen Standard Global Private Markets Fund	GBP Acc	6
Andean Social Infrastructure Fund I	USD	13
Bonaccord Capital Partners I-A	USD	7
Cheyne Social Property Impact Fund	GBP	3
Maj Equity Fund IV	DKK	3
Mount Row Credit Fund III	A9	100
Patria Secondaries Opportunities Fund IV	USD	9
SL Capital Infrastructure II	EUR	4

Notes to the Financial Statements

Continued

Significant holdings disclosure requirements – AIC SORP

Details are disclosed below in accordance with the requirements of paragraph 82 of the AIC Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (updated in July 2022) in relation to unlisted investments included in the ten largest holdings disclosed on page 28. As required, this disclosure includes turnover, pre-tax profits and net assets attributable to investors as reported within the most recently audited financial statements of the investee companies, where possible.

As at 30 September 2024 Name	Latest Financial Statements	Proportion of capital owned %	Book cost £'000	Market value £'000	Income recognised from holding in the period £'000	Turnover ('000)	Pre-tax profit/(loss) ('000)	Net assets attributable to shareholders ('000)
SL Capital Infrastructure II	n/a	4	25,374	27,792	Information not publicly available			
Aberdeen Standard Global Private Markets Fund	n/a	6	15,044	20,730	Information not publicly available			
Bonaccord Capital Partners I-A	n/a	7	13,584	18,130	Information not publicly available			
Burford Opportunity Fund	n/a	8	13,789	16,120	Information not publicly available			
Patria Secondaries Opportunities Fund IV	n/a	9	10,734	16,057	Information not publicly available			
Andean Social Infrastructure Fund I	n/a	13	13,459	15,821	Information not publicly available			
Healthcare Royalty Partners IV	n/a	2	17,187	12,263	Information not publicly available			
Mount Row Credit Fund II	n/a	5	9,943	9,393	Information not publicly available			
Aberdeen Property Secondaries Partners II	n/a	21	8,783	7,840	Information not publicly available			
TrueNoord Co-Investment	n/a	2	4,550	7,136	Information not publicly available			

As at 30 September 2023 Name	Latest Financial Statements	Proportion of capital owned %	Book cost £'000	Market value £'000	Income recognised from holding in the period £'000	Turnover ('000)	Pre-tax profit/(loss) ('000)	Net assets attributable to shareholders ('000)
SL Capital Infrastructure II	n/a	5	22,386	27,419	Information not publicly available			
Aberdeen Standard Global Private Markets Fund	n/a	6	15,044	19,934	Information not publicly available			
Burford Opportunity Fund	n/a	8	13,818	17,272	Information not publicly available			
Healthcare Royalty Partners IV	n/a	2	18,397	16,235	Information not publicly available			
Bonaccord Capital Partners I-A	n/a	7	11,823	16,091	Information not publicly available			
Andean Social Infrastructure Fund I	n/a	13	14,311	15,016	Information not publicly available			
Patria Secondaries Opportunities Fund IV	n/a	6	8,080	12,940	Information not publicly available			

11. Other debtors and receivables

	2024 £'000	2023 £'000
Amounts due from brokers	–	62
Prepayments and accrued income	**163**	903
Taxation recoverable	**470**	584
	633	1,549

12. Cash and cash equivalents

	2024 £'000	2023 £'000
Cash at bank and in hand	**1,784**	8,575
Money market funds	**20,516**	12,450
	22,300	21,025

Notes to the Financial Statements

Continued

13. Other payables

	2024 £'000	2023 £'000
Interest on 6.25% Bonds 2031	**–**	55
Corporation tax payable	**1,800**	756
Other payables	**352**	856
	2,152	1,667

14. Creditors: amounts falling due after more than one year

	2024 £'000	2023 £'000
6.25% Bonds 2031[A]		
Balance at beginning of year	**15,730**	15,694
Amortisation of discount and issue expenses	**19**	36
Loss on early repayment	**2,759**	–
Repayment	**(18,508)**	–
Balance at end of year	**–**	15,730

[A] At the prior year end the fair value of the 6.25% Bonds using the last available quoted offer price from the London Stock Exchange as at 30 September 2023 was 99.8297p, a total of £16,069,000.

On 9 April 2024, the 6.25% Bonds were repaid early at a price of 114.983%, resulting in a total cost of £18,587,000, including accrued interest of £79,000 thereon.

At the year end the Company had in issue £nil (2023 – £16,096,000) Bonds 2031 which were issued at 99.343%. The Bonds have been accounted for in accordance with FRS 102, which require any discount or issue costs to be amortised over the life of the Bonds. The Bonds were secured by a floating charge over all of the assets of the Company.

Under the covenants relating to the Bonds, the Company is required to ensure that, at all times, the aggregate principal amount outstanding in respect of monies borrowed by the Company does not exceed an amount equal to its share capital and reserves. All covenants were met during the year.

15. Called up share capital

	Ordinary shares (number)	Treasury shares (number)	B shares (number)	Total shares (number)	£'000
Allotted, called up and fully paid					
Ordinary shares of 25p each					
Ordinary shares of 25p each at 1 October 2023	301,265,952	22,485,854	–	323,751,806	80,938
B shares issued during the year	–	–	11,476,796,243	11,476,796,243	114,768
B shares redeemed during the year	–	–	(11,476,796,243)	(11,476,796,243)	(114,768)
Reduction in nominal value of shares from 25p to 1p	–	–	–	–	(77,700)
Ordinary shares of 1p at 30 September 2024	**301,265,952**	**22,485,854**	**–**	**323,751,806**	**3,238**

On 7 June 2024, the Company received Court approval for a reduction in the nominal value of its ordinary shares from 25p to 1p.

On 5 July 2024, the Company returned capital to shareholders by way of a bonus issue of 800 B shares per 21 ordinary shares. The B shares, held by Ordinary shareholders, were issued and immediately redeemed at 1p per B share at a cost of £114,768,000.

During the year no ordinary shares were purchased (2023 – 7,181,362 to be held in treasury at a cost of £6,292,000). There were no Ordinary shares of 25p issued from treasury during the year (2023 – nil).

16. Capital reserve

	2024 £'000	2023 £'000
At 1 October	**69,717**	89,560
Movement in investment holding gains	**(7,917)**	(21,040)
Losses on realisation of investments at fair value	**(8,195)**	(3,509)
Foreign exchange gains	**5,601**	13,297
Transaction and other costs	**(503)**	(38)
Finance costs	**(3,043)**	(524)
Purchase of own shares to treasury	**–**	(6,292)
Investment management fees	**(474)**	(563)
Overseas tax suffered	**(37)**	(7)
Deferred tax	**–**	(1,167)
At 30 September	**55,149**	69,717

Notes to the Financial Statements

Continued

17. Net asset value per Ordinary share

The net asset value per Ordinary share and the net asset value attributable to the Ordinary shares at the year end were as follows:

Debt at par	2024	2023
Net asset value attributable (£'000)	**203,306**	339,534
Number of Ordinary shares in issue excluding treasury (note 15)	**301,265,952**	301,265,952
Net asset value per share (p)	**67.48**	112.70

Debt at fair value	£'000	£'000
Net asset value attributable	**n/a**	339,534
Add: Amortised cost of 6.25% Bonds 2031	**n/a**	15,730
Less: Market value of 6.25% Bonds 2031	**n/a**	(16,069)
	n/a	339,195
Number of Ordinary shares in issue excluding treasury (note 15)	**301,265,952**	301,265,952
Net asset value per share (p)	**n/a**	112.59

18. Financial instruments

Risk management. The Company's investment activities expose it to various types of financial risk associated with the financial instruments and markets in which it invests. The Company's financial instruments, other than derivatives, comprise securities and other investments, cash balances, liquid resources, loans and debtors and creditors that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement, and debtors for accrued income. The Company also has the ability to enter into derivative transactions in the form of forward foreign currency contracts, futures and options, subject to Board approval, for the purpose of enhancing portfolio returns and for hedging purposes in a manner consistent with the Company's broader investment policy.

As at 30 September 2024 there were no open positions in derivatives transactions (2023 – 18).

Risk management framework. The directors of abrdn Fund Managers Limited ('aFML') collectively assume responsibility for aFML's obligations under the AIFMD including reviewing investment performance and monitoring the Company's risk profile during the year.

aFML is a fully integrated member of abrdn plc (the 'Group'), which provides a variety of services and support to aFML in the conduct of its business activities, including the oversight of the risk management framework for the Company. aFML has delegated the day to day administration of the investment policy to abrdn Investments Limited, which is responsible for ensuring that the Company is managed within the terms of its investment guidelines and the limits set out in its pre-investment disclosures to investors (details of which can be found on the Company's website). aFML has retained responsibility for monitoring and oversight of investment performance, product risk and regulatory and operational risk for the Company.

The Group's Internal Audit Department is independent of the Risk Division and reports directly to the Audit Committee of the Group's Board of Directors and to the Group's Chief Executive Officer. The Internal Audit Department is responsible for providing an independent assessment of the Group's control environment.

The Manager conducts its risk oversight function through the operation of the Group's risk management processes and systems which are embedded within the Group's operations. The Group's Risk Division supports management in the identification and mitigation of risks and provides independent monitoring of the business. The Division includes Compliance, Business Risk, Market Risk, Risk Management and Legal. The team is headed up by the Group's Chief Risk Officer, who reports to the Chief Executive Officer of the Group. The Risk Division achieves its objective through embedding the Risk Management Framework throughout the organisation using the Group's operational risk management system ('SHIELD').

The Group's corporate governance structure is supported by several committees to assist the board of directors of aFML, its subsidiaries and the Company to fulfil their roles and responsibilities. The Group's Risk Division is represented on all committees, with the exception of those committees that deal with investment recommendations. The specific goals and guidelines on the functioning of those committees are described in the committees' terms of reference.

Risk management. The main risks the Company faces from these financial instruments are (i) market risk (comprising interest rate, foreign currency and other price risk), (ii) liquidity risk and (iii) credit risk.

In order to mitigate risk, the investment strategy is to select investments for their fundamental value. Asset selection is therefore based on disciplined accounting, market and sector analysis. It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular asset class. The Investment Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to consider investment strategy. Further information on the progress made with the Managed Wind-Down of the Company may be found in the Chairman's Statement on pages 5 and 6 and in the Investment Manager's Report on pages 17 to 19.

The Board has agreed the parameters for net cash, which was -11% of net assets as at 30 September 2024 (2023 – net cash of -1.6%). The Manager's policies for managing these risks are summarised below and have been applied throughout the current and previous year. The numerical disclosures in the tables listed below exclude short-term debtors and creditors.

Market risk. The Company's investment portfolio is exposed to market price fluctuations, which are monitored by the Manager in pursuance of the revised investment objective and investment objective as set out on page 7. Adherence to investment guidelines and to investment and borrowing powers set out in the management agreement mitigates the risk of exposure to any particular security or issuer. Further information on the investment portfolio is set out in the Investment Manager's Report on pages 21 to 32.

Market price risk arises mainly from uncertainty about future prices of financial instruments used in the Company's operations. It represents the potential loss the Company might suffer through holding market positions as a consequence of price movements.

Interest rate risk. Interest rate movements may affect:

– the level of income receivable on cash deposits; and

– the fair value of any investments in fixed interest rate securities.

Management of the risk. The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions.

The Board imposes borrowing limits to ensure gearing levels are appropriate to market conditions and reviews these on a regular basis. Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

Financial assets. The interest rate risk of the portfolio of financial assets at the reporting date was as follows:

	2024			2023		
	Within 1 year £'000	More than 1 year £'000	Total £'000	Within 1 year £'000	More than 1 year £'000	Total £'000
Exposure to fixed interest rates						
Fixed interest investments	–	–	–	3,677	25,942	29,619
Exposure to floating interest rates						
Loan investments[A]	–	–	–	–	2,279	2,279
Cash and cash equivalents	**22,300**	–	**22,300**	21,025	–	21,025
	22,300	–	**22,300**	24,702	28,221	52,923

[A] Variable distributions received from investment holdings, which have an underlying portfolio of fixed interest securities.

Financial liabilities. The Company has no borrowings following the early repayment of the 6.25% Bond during the year (2023 – held at amortised cost of £15,730,000 and a fair value of £16,069,000).

Interest rate sensitivity. A sensitivity analysis demonstrates the sensitivity of the Company's results for the year to a reasonably possible change in interest rates, with all other variables held constant.

The sensitivity of the return/(loss) attributable to equity shareholders for the year is the effect of the assumed change in interest rates on:

– the net interest income for the year, based on the floating rate financial assets held at the Statement of Financial Position date; and

– changes in fair value of investments for the year, based on revaluing fixed rate financial assets and liabilities at the Statement of Financial Position date.

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Company's net interest for the year ended 30 September 2024 would increase/decrease by £112,000 (2023 – increase/decrease £105,000). This is attributable to the Company's exposure to interest rates on its floating rate cash balances at 30 September 2024.

The capital return would decrease/increase by £nil (2023 – increase/decrease by £2,236,000) using VaR ("Value at Risk") analysis based on 100 observations of monthly VaR computations of fixed interest portfolio positions at each year end (2023 – none).

Foreign currency risk. A proportion of the Company's investment portfolio is invested in overseas securities whose values are subject to fluctuation due to changes in foreign exchange rates. In addition, the impact of changes in foreign exchange rates upon the profits of investee companies can result, indirectly, in changes in their valuations. Consequently the Statement of Financial Position can be affected by movements in exchange rates.

Management of the risk. The revenue account is subject to currency fluctuations arising on dividends receivable in foreign currencies and, indirectly, due to the impact of foreign exchange rates upon the profits of investee companies. The Company may enter into derivative transactions, in the form of forward foreign currency contracts, to ensure that exposure to foreign denominated investments and cashflows is appropriately hedged.

Foreign currency risk exposure by currency of denomination excluding other debtors and receivables and other payables falling due within one year:

	30 September 2024			30 September 2023		
	Investments £'000	Net monetary items £'000	Total currency exposure £'000	Investments £'000	Net monetary items £'000	Total currency exposure £'000
US Dollar	**97,877**	**898**	**98,775**	117,117	(3,089)	114,028
Euro	**40,201**	**13**	**40,214**	53,472	(459)	53,013
Other	**4,369**	**63**	**4,432**	41,008	(596)	40,412
	142,447	**974**	**143,421**	211,597	(4,144)	207,453

Foreign currency sensitivity. The following table details the impact on the Company's net assets to a 20% decrease (in the context of a 20% increase the figures below should all be read as negative) in sterling against the foreign currencies in which the Company has exposure. The sensitivity analysis includes foreign currency denominated monetary items and adjusts their translation at the period end for a 20% change in foreign currency rates. This sensitivity excludes forward foreign currency contracts entered into for hedging short term cash flows.

	2024 £'000	2023 £'000
US Dollar	**19,755**	22,806
Euro	**8,043**	10,603
Other	**886**	8,082
	28,684	41,491

Forward foreign currency contracts. There were no forward foreign currency contracts outstanding at the Statement of Financial Position date:

Date of contract	Buy Currency	Sell Currency	Settlement date	Amount '000	Contracted rate	Unrealised gain/(loss) 30 September 2024 £'000
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Date of contract	Buy Currency	Sell Currency	Settlement date	Amount '000	Contracted rate	Unrealised gain/(loss) 30 September 2023 £'000
31 August 2023	JPY	GBP	7 December 2023	4,920	180.2114	53
11 September 2023	USD	GBP	7 December 2023	837	1.2211	21
15 September 2023	USD	GBP	7 December 2023	617	1.2211	12
25 September 2023	GBP	CAD	7 December 2023	528	1.6492	1
25 September 2023	GBP	EUR	7 December 2023	205	1.1498	–
						87
31 August 2023	CHF	GBP	7 December 2023	1,895	1.1088	(1)
31 August 2023	GBP	AUD	7 December 2023	11,285	1.8876	(383)
31 August 2023	GBP	CAD	7 December 2023	8,270	1.6492	(332)
31 August 2023	GBP	EUR	7 December 2023	56,882	1.1498	(549)
31 August 2023	GBP	NOK	7 December 2023	5,222	12.9686	(193)
31 August 2023	GBP	NZD	7 December 2023	5,462	2.0322	(254)
31 August 2023	GBP	SEK	7 December 2023	5,463	13.2251	(213)
31 August 2023	GBP	USD	7 December 2023	97,334	1.2211	(3,733)
31 August 2023	GBP	USD	7 December 2023	284	1.2211	(11)
1 September 2023	GBP	USD	7 December 2023	389	1.2211	(15)
13 September 2023	GBP	CAD	7 December 2023	180	1.6492	(4)
13 September 2023	GBP	EUR	7 December 2023	225	1.1498	(1)
19 September 2023	GBP	USD	7 December 2023	945	1.2211	(13)
						(5,702)

Other price risk. Other price risks (ie changes in market prices other than those arising from interest rate or currency risk) may affect the value of investments.

Management of the risk. The Company's investment objective is to conduct an orderly realisation of its assets in a manner that seeks to optimise the value of its investments whilst progressively returning cash to shareholders in a timely manner. Full details of the revised investment policy may be found on page 6.

Other price risk sensitivity. If market prices at the reporting date had been 10% higher or lower on investments held at fair value while all other variables remained constant, the return attributable to Ordinary shareholders and equity for the year ended 30 September 2024 would have increased/decreased by £18,253,000 (2023 – £30,807,000).

Liquidity risk. This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Management of the risk. During the year, the Company repaid the outstanding balance of its 6.25% Bonds 2031 in issue, however the Company may continue to use gearing, in the form of borrowings (including secured bonds), during the managed wind-down process.

19. Fair value hierarchy

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

Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (ie as prices) or indirectly (ie derived from prices).

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

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

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

As at 30 September 2024	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss				
Equity investments	**79**	**–**	**182,446**	**182,525**
Net fair value	**79**	**–**	**182,446**	**182,525**

As at 30 September 2023	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets/(liabilities) at fair value through profit or loss				
Equity investments	90,332	19,292	198,450	308,074
Loan investments	–	2,279	–	2,279
Fixed interest instruments	–	29,619	–	29,619
Forward currency contracts – financial assets	–	87	–	87
Forward currency contracts – financial liabilities	–	(5,702)	–	(5,702)
Net fair value	90,332	45,575	198,450	334,357

Level 3 Financial assets at fair value through profit or loss	Year ended 30 September 2024 £'000	Year ended 30 September 2023 £'000
Opening fair value	**198,450**	209,065
Purchases including calls (at cost)	**11,210**	26,083
Disposals and return of capital	**(9,281)**	(26,368)
Total gains or losses included in losses on investments in the Statement of Comprehensive Income:		
– assets disposed of during the year	**1,233**	8,253
– assets held at the end of the year	**(19,166)**	(18,583)
Closing balance	**182,446**	198,450

The fair value of Level 3 financial assets has been determined by reference to primary valuation techniques described in note 2(e) of these financial statements and included within other price sensitivity within note 18. The Level 3 equity investments comprise the following:

	Year ended 30 September 2024 £'000	Year ended 30 September 2023 £'000
Aberdeen European Residential Opportunities Fund	**2,556**	7,524
Aberdeen Global Infrastructure Partners II (AUD)	**2,250**	4,541
Aberdeen Property Secondaries Partners II	**7,840**	9,385
Aberdeen Standard Global Private Markets Fund	**20,730**	19,934
Andean Social Infrastructure Fund I	**15,821**	15,016
ASI HARK III	**4,109**	6,042
BlackRock Renewable Income – UK	**6,657**	8,199
Bonaccord Capital Partners I-A	**18,130**	16,091
Burford Opportunity Fund	**16,120**	17,272
Cheyne Social Property Impact Fund	**3,299**	3,299
Dover Street VII	**4**	20
HarbourVest International Private Equity V	**5**	7
HarbourVest International Private Equity VI	**1,240**	1,678
HarbourVest VIII Buyout Fund	**23**	160
HarbourVest VIII Venture Fund	**104**	123
Healthcare Royalty Partners IV	**12,263**	16,235
Maj Invest Equity IV	**24**	1,205
Maj Invest Equity V	**2,095**	2,432
Markel CATCo Reinsurance Fund Ltd – LDAF 2018 SPI	**572**	333
Markel CATCo Reinsurance Fund Ltd – LDAF 2019 SPI	**242**	81
Mesirow Financial Private Equity III	**80**	117
Mesirow Financial Private Equity IV	**400**	599
Mount Row Credit Fund II	**9,393**	10,166
Pan European Infrastructure Fund	**768**	1,205
Patria Secondaries Opportunities Fund IV	**16,057**	12,940
PIMCO Private Income Fund Offshore Feeder I LP	**6,736**	7,662
SL Capital Infrastructure II	**27,792**	27,419
TrueNoord Co-Investment	**7,136**	8,765
	182,446	198,450

For all other assets and liabilities (i.e. those not included in the hierarchy table) carrying value approximates to fair value.

Notes to the Financial Statements

Continued

20. Related party transactions and transactions with the Manager

Related party transactions – Directors' fees and interests. Fees payable during the year to the Directors and their interests in shares of the Company are considered to be related party transactions and are disclosed within the Directors' Remuneration Report on pages 44 to 47. The balance of fees due to Directors at the year end was £13,000 (2023 – £15,000).

Transactions with the Manager. The Company has an agreement with aFML for the provision of management services. The investment management fee is levied by aFML at the following tiered levels, payable monthly in arrears:

– 0.50% per annum in respect of the first £300 million of the net asset value (with debt at fair value); and

– 0.45% per annum in respect of the balance of the net asset value (with debt at fair value).

Details of transactions during the year and balances outstanding at the year end are disclosed in note 4 on page 69.

In accordance with the investment management agreement, where applicable, an amount equivalent to the management fee received by the Manager on the underlying holding which is managed by the Group in the normal course of business, is either removed from or offset against the management fee payable by the Company to ensure that no double counting occurs. Any investments made in funds managed by the Group which themselves invest directly into alternative investments including, but not limited to, infrastructure and property will be charged at the Group's lowest institutional fee rate. To avoid double charging, such investments will be excluded from the overall management fee calculation.

The following table details all investments held at 30 September 2024 that were managed by the Group. For the period to 30 September 2024 no fees were levied in respect of these funds.

	30 September 2024 £'000
SL Capital Infrastructure II[A]	27,792
Aberdeen Standard Global Private Markets Fund[A]	20,730
Andean Social Infrastructure Fund I[A]	15,821
Aberdeen European Residential Opportunities Fund[A]	2,556
Aberdeen Global Infrastructure Partners II (AUD)[A]	2,250
Aberdeen Property Secondaries Partners II[B]	7,840
	76,989

[A] The value of this holding is removed from the management fee calculation to ensure that no double counting occurs.
[B] An amount equivalent to the management fee received by the Manager on the underlying is offset against the management fee payable by the Company to ensure that no double counting occurs.

The Company also has an agreement with aFML for the provision of secretarial, accounting and administration services and promotional activities. Details of transactions during the year and balances outstanding at the year end are disclosed in note 5 on page 70.

21. Capital management policies and procedures

The current investment objective of the Company is to conduct an orderly realisation of its assets in a manner that seeks to optimise the value of its investments whilst progressively returning cash to shareholders in a timely manner.

The capital of the Company consists of equity (comprising issued capital, reserves and retained earnings). The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the equity balance.

The Board monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

– the planned level of gearing which takes into account the Investment Manager's views on the market (net gearing at the reporting period end in the Financial Highlights and the calculation basis is set out in the Alternative Performance Measures);

– the level of equity shares in issue; and

– the revenue account, shareholder distributions and the extent to which the balance is either accretive or dilutive of the revenue reserves.

The Company's objectives, policies and processes for managing capital are unchanged from the preceding accounting period.

22. Analysis of changes in net debt

	At 1 October 2023 £'000	Currency differences £'000	Cash flows £'000	Non-cash movements £'000	At 30 September 2024 £'000
Cash and cash equivalents	**21,025**	**–**	**1,275**	**–**	**22,300**
Debt due after one year	**(15,730)**	**–**	**18,508**	**(2,778)**	**–**
Total	**5,295**	**–**	**19,783**	**(2,778)**	**22,300**

	At 1 October 2022 £'000	Currency differences £'000	Cash flows £'000	Non-cash movements £'000	At 30 September 2023 £'000
Cash and cash equivalents	7,179	–	13,846	–	21,025
Debt due after one year	(15,694)	–	–	(36)	(15,730)
Total	(8,515)	–	13,846	(36)	5,295

Notes to the Financial Statements

Continued

23. Commitments and contingent liabilities

At 30 September 2024 the Company had commitments of £268,430,000 of which £32,891,000 remained outstanding (2023 – £43,282,000). Further details are given below. There were no contingent liabilities as at 30 September 2024 (2023 – £nil).

	Undrawn commitments 30 September 2024 £'000
Patria Secondaries Opportunities Fund IV	8,190
Aberdeen Global Infrastructure Partners II (AUD)	6,096
Burford Opportunity Fund	4,682
Andean Social Infrastructure Fund I	4,362
Bonaccord Capital Partners I-A	2,911
ASI Hark III	3,730
Aberdeen Property Secondaries Partners II	1,059
Maj Invest Equity IV	321
Healthcare Royalty Partners IV	315
Pan European Infrastructure Fund	267
SL Capital Infrastructure II	219
Dover Street VII	164
Maj Invest Equity V	150
HarbourVest International Private Equity VI	148
Mesirow Financial Private Equity IV	130
HarbourVest VIII Buyout Fund	65
HarbourVest International Private Equity V	27
Mesirow Financial Private Equity III	47
HarbourVest VIII Venture Fund	8
	32,891

	Undrawn commitments 30 September 2023 £'000
Patria Secondaries Opportunities Fund IV	11,775
Aberdeen Global Infrastructure Partners II (AUD)	6,233
Burford Opportunity Fund	5,445
Andean Social Infrastructure Fund I	4,793
Bonaccord Capital Partners I-A	4,522
SL Capital Infrastructure II	2,798
ASI Hark III	2,517
Healthcare Royalty Partners IV	1,324
Aberdeen European Residential Opportunities Fund	1,201
Aberdeen Property Secondaries Partners II	1,183
Maj Invest Equity IV	364
Pan European Infrastructure Fund	278
Maj Invest Equity V	211
Dover Street VII	181
HarbourVest International Private Equity VI	154
Mesirow Financial Private Equity IV	143
HarbourVest VIII Buyout Fund	71
Mesirow Financial Private Equity III	52
HarbourVest International Private Equity V	29
HarbourVest VIII Venture Fund	8
	43,282

24. Subsequent events

On 23 December 2024, shareholders approved proposals to cancel the entire amount standing to the credit of the Company's capital redemption reserve and to amend the Company's articles of association in order to remove the requirement for the Company to hold a continuation vote at each annual general meeting.

Corporate Information

Investor Information

Investors may receive information about the Company via email by selecting 'Register for updates' on the homepage of the website: abrdndiversified.co.uk

The website also includes current and historic Annual and Half-Yearly Reports, performance data, the latest monthly factsheet issued by the Manager together with links to the Company's share price and recent London Stock Exchange announcements.

If you have any general questions about the Company, the Manager or performance, please send an email to **diversified.income@abrdn.com** or write to:

abrdn Diversified Income and Growth plc
1 George Street
Edinburgh EH2 2LL

Information about the Company and other investment companies managed by the Manager may also be found on social media, as follows:

Twitter: **@abrdnTrusts**

LinkedIn: **abrdn Investment Trusts**

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

The Company has appointed the Manager as its alternative investment fund manager and The Bank of New York Mellon (International) Limited as its depositary under the AIFMD.

The AIFMD requires the Manager, as the Company's alternative investment fund manager, to make available to investors certain information prior to such investors' investment in the Company. Details of the leverage and risk policies which the Company is required to have in place under AIFMD are published in the Company's PIDD which can be found on its website: **abrdndiversified.co.uk**

The periodic disclosures required to be made by the Manager under the AIFMD are set out on page 98.

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

The Company has been made aware by abrdn that some investors have received telephone calls from people purporting to work for abrdn, or third parties, who have offered to buy their investment trust shares. These may be scams which attempt to gain personal information with which to commit identity fraud or could be 'boiler room' scams where a payment from an investor is required to release the supposed payment for their shares. These callers do not work for abrdn and any third party making such offers has no link with abrdn. abrdn never makes these types of offers and does not 'cold-call' investors in this way. If investors have any doubt over the veracity of a caller, they should not offer any personal information, end the call and contact the Company using the details provided above.

The Financial Conduct Authority provides advice with respect to share fraud and boiler room scams at: **fca.org.uk/consumers/scams**

Shareholder Enquiries

For queries regarding shareholdings, lost certificates, dividend payments, registered details and related matters, shareholders holding their shares directly in the Company are advised to contact the Registrar, Computershare Investor Services PLC (see page 109 for contact details). Changes of address must be notified to the Registrar in writing.

Suitable for Retail/NMPI Status

The Company's Ordinary shares are intended for investors, primarily in the UK, including retail investors, professionally-advised private clients and institutional investors seeking principally capital appreciation from the realisation of diversified private market assets over several years and who understand and are willing to accept the risks of exposure to investing via a flexible multi-asset approach. Investors should consider consulting a financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs, and intends to continue to do so for the foreseeable future, in order that its shares can be recommended by a financial adviser to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream pooled investments.

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

Key Information Document ("KID")

The Packaged Retail and Insurance-based Investment Products ("PRIIPS") Regulation requires a PRIIP 'manufacturer' to prepare a Key Information Document ("KID"). This document was designed to provide investors with key information about the Company prior to investment. It is not marketing material. The information was required by law to help an investor understand the nature, risks, costs, potential gains and losses of investing and to help to compare with other products.

In September 2024, the FCA granted forbearance to the investment trust industry meaning that the Manager is no longer required to produce a KID. However, the Manager continues to publish a modified KID for the Company largely because a number of platforms / market participants still require prospective investors to confirm that they have read the Company's KID prior to a buying the shares of the Company. The modified KID is available via the Company's website. In addition to the KID, the Manager has developed and published a 'Statement of Operating Expenses' which is incorporated into the Company's factsheet and which can be found separately on the Company's website.

How to Invest in the Company and other abrdn-managed investment trusts

A range of leading investment platforms and share dealing services let you buy and sell abrdn-managed investment trusts including the shares of the Company.

Many of these platforms operate on an 'execution-only' basis. This means they can carry out your instruction to buy or sell a particular investment trust. But they may not be able to advise on suitable investments for you. If you require advice, please speak to a qualified financial adviser (see below).

Flexibility

Many investment platform providers will allow you to buy and hold abrdn Investment Trust shares within an Individual Savings Account (ISA), Junior ISA or Self Invested Personal Pension (SIPP), all of which have potential tax advantages. Most will also allow you to invest on both a lump sum and regular savings basis.

Costs and service

It is important to choose the right platform for your needs, so take time to research what each platform offers before you make your decision, as well as considering charges. When it comes to charges, some platforms have flat fee structures while others levy percentage-based charges. Typically, you will also pay a fee every time you buy and sell shares, so you need to bear in mind these transaction costs if you are trading frequently. There may also be additional charges for ISA and SIPP investments.

Can I exercise my voting rights if I hold my shares through an investment platform?

Yes, you should be able to exercise your right to vote by contacting your platform provider. Procedures differ, but some platforms will automatically alert you when new statutory documents are available and then allow you to vote online. Others will require you to contact them to vote. Your chosen platform provider will provide further guidance.

Getting advice

abrdn recommends that you seek financial advice prior to making an investment decision. If you do not currently have a financial adviser, details of authorised financial advisers in your area can be found at **pimfa.co.uk** or **unbiased.co.uk** (see below). You will pay a fee for advisory services.

Platform providers

Platforms featuring the Company, as well as other abrdn-managed investment trusts, include:

- AJ Bell: **www.ajbell.co.uk/markets/investment-trusts**
- Barclays Smart Investor: **www.barclays.co.uk/smart-investor**
- Charles Stanley Direct: **www.charles-stanley-direct.co.uk**
- Fidelity: **www.fidelity.co.uk**
- Halifax: **www.halifax.co.uk/investing**
- Hargreaves Lansdown: **www.hl.co.uk/shares/investment-trusts**
- interactive investor (owned by abrdn): **www.ii.co.uk/investment-trusts**

The companies above are shown for illustrative purposes only. Other platform providers are available. The links above direct you to external websites operated by each platform provider. abrdn is not responsible for the content and information on these third-party sites, apart from interactive investor, which is owned by abrdn.

Discretionary Private Client Stockbrokers

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

Financial Advisers

To find an adviser who recommends on investment trusts, visit: **unbiased.co.uk**

Regulation of Stockbrokers

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

Tel: **0800 111 6768** or at
at **https://register.fca.org.uk**
Email: **consumerqueries@fca.org.uk**

Note

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

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

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

The information on pages 92 to 95 has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by abrdn Investments Limited which is authorised and regulated by the Financial Conduct Authority.

Glossary of Terms

abrdn or the Group
A company listed on the London Stock Exchange as abrdn plc.

AIC
The Association of Investment Companies.

AIFMD
The Alternative Investment Fund Managers Directive - the AIFMD is European legislation which created a European-wide framework for regulating managers of 'alternative investment funds'. It is designed to regulate any fund which is not a UCITS fund and which is managed and/or marketed in the EU. The Company has been designated as an AIF.

Alternative Performance Measure or APM
An alternative performance measure is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

Closed-End Fund
A collective investment scheme which has a fixed number of shares which are not redeemable from the fund itself. Unlike open-ended funds, new shares/units are not created by managers to meet demand from investors; instead, shares are purchased (or sold) only in the market. Closed-end funds are normally listed on a recognised stock exchange, such as the London Stock Exchange, and shares can be bought and sold on that exchange.

Discount
The amount by which the market price per share of an Investment Trust is lower than the Net Asset Value per share. The discount is normally expressed as a percentage of the Net Asset Value per share.

Dividend Cover
Earnings per share divided by dividends per share expressed as a ratio.

Dividend Yield
The annual dividend expressed as a percentage of the share price.

FCA
Financial Conduct Authority.

Gearing
Net gearing is calculated by dividing total borrowings less cash or cash equivalents, by shareholders' funds expressed as a percentage.

Investment Manager
abrdn Investments Limited is a wholly owned subsidiary of abrdn plc and acts as the Company's investment manager. It is authorised and regulated by the FCA.

Investment Trust
A type of Closed-End Fund which invests in other securities, allowing shareholders to share the risks, and returns, of collective investment.

Leverage
For the purposes of the Alternative Investment Fund Managers Directive, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its Net Asset Value and can be calculated on a gross and a commitment method. Under the gross method, exposure represents the sum of the Company's positions after the deduction of sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset against each other.

Manager or AIFM
abrdn Fund Managers Limited is a wholly owned subsidiary of abrdn plc and acts as the alternative investment fund manager ("AIFM") for the Company. It is authorised and regulated by the FCA.

Net Asset Value or NAV
The value of total assets less liabilities. Liabilities for this purpose include current and long-term liabilities. The Net Asset Value divided by the number of shares in issue produces the Net Asset Value per share.

Ongoing Charges
Ratio of expenses as a percentage of average daily shareholders' funds calculated as per the AIC's industry standard method. This includes the Company's share of costs of holdings in investment companies on a look-through basis.

Premium
The amount by which the market price per share of an Investment Trust exceeds the Net Asset Value per share. The premium is normally expressed as a percentage of the Net Asset Value per share.

Price/Earnings Ratio
The ratio is calculated by dividing the market price per share by the earnings per share. The calculation assumes no change in earnings but in practice the multiple reflects the stock market's view of a company's prospects and profit growth potential.

Prior Charges
The name given to all borrowings including debentures, loans and overdrafts that are to be used for investment purposes, reciprocal foreign currency loans, currency facilities to the extent that they are drawn down, index-linked securities, and all types of preference or preferred capital and the income shares of split capital trusts, irrespective of the time until repayment.

Total Assets
Total Assets as per the balance sheet less current liabilities (before deducting Prior Charges as defined above).

Total Return
Total Return involves reinvesting the net dividend in the month that the share price goes ex-dividend. The NAV Total Return involves investing the same net dividend in the NAV of the Company on the date the dividend was earned.

AIFMD Disclosures (Unaudited)

The Manager and the Company are required to make certain disclosures available to investors in accordance with the AIFMD. Those disclosures that are required to be made pre-investment are included within a pre-investment disclosure document ("PIDD") which can be found on the Company's website.

There have been no material changes to the disclosures contained within the PIDD since its most recent update in January 2025.

The periodic disclosures as required under the AIFMD to investors are made below:

- information on the investment strategy, geographic and sector investment focus and principal stock exposures is included in the Strategic Report;
- none of the Company's assets are subject to special arrangements arising from their illiquid nature;
- the Strategic Report, note 18 to the financial statements and the PIDD, together set out the risk profile and risk management systems in place. There have been no changes to the risk management systems in place in the period under review and no breaches of any of the risk limits set, with no breach expected;
- there are no new arrangements for managing the liquidity of the Company or any material changes to the liquidity management systems and procedures employed by the Manager; and
- all authorised Alternative Investment Fund Managers are required to comply with the AIFMD Remuneration Code. In accordance with the AIFMD Remuneration Code, the AIFM's remuneration policy in respect of its reporting period ended 31 December 2023 is available on the website of abrdn plc at **www.abrdn.com/en-gb/corporate/about-us/our-leadership-team/remuneration-disclosure** or on request from the Company Secretary, abrdn Holdings Limited (see page 109 for contact details).

Leverage

The table below sets out the current maximum permitted limit and actual level of leverage for the Company:

	Gross Method	Commitment Method
Maximum level of leverage	3.50:1	2.50:1
Actual level at 30 September 2024	0.90:1	1.01:1

There have been no breaches of the maximum level during the period and no changes to the maximum level of leverage employed by the Company. There have been no changes to the circumstances in which the Company may be required to post assets as collateral and no guarantees granted under the leveraging arrangement. Changes to the information contained either within this Annual Report or the PIDD in relation to any special arrangements in place, the maximum level of leverage which AFML may employ on behalf of the Company; the right of use of collateral or any guarantee granted under any leveraging arrangement; or any change to the position in relation to any discharge of liability by the Depositary will be notified via a regulatory news service without undue delay in accordance with the AIFMD.

The information on this page has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by abrdn Fund Managers Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

Alternative Performance Measures

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

Net asset value per Ordinary share – debt at fair value

The net asset value per Ordinary share with debt at fair value is calculated as follows:

	As at 30 September 2024 £'000	As at 30 September 2023 £'000
Net asset value attributable	**n/a**	339,534
Add: Amortised cost of 6.25% Bonds 2031	**n/a**	15,730
Less: Market value of 6.25% Bonds 2031	**n/a**	(16,069)
	n/a	339,195
Number of Ordinary shares in issue excluding treasury shares	**n/a**	301,265,952
Net asset value per share (p)	**n/a**	112.59

2024 n/a due to the 6.25% Bonds 2031 being repaid during the year.

Discount to net asset value per Ordinary share – debt at par value

The discount is the amount by which the Ordinary share price is lower than the net asset value per Ordinary share – debt at fair value, expressed as a percentage of the net asset value – debt at fair value. The Board considers this to be the most appropriate measure of the Company's discount.

		30 September 2024	30 September 2023
Net asset value per Ordinary share (p)	a	**67.48**	112.70
Share price (p)	b	**44.50**	83.60
Discount	(a-b)/a	**34.1%**	25.8%

Alternative Performance Measures

Continued

Net (cash)/gearing – debt at par value

Net (cash)/gearing with debt at par value measures the total borrowings less cash and cash equivalents divided by shareholders' funds, expressed as a percentage. Under AIC reporting guidance cash and cash equivalents includes net amounts due to and from brokers at the period end, in addition to cash and short term deposits.

		30 September 2024	30 September 2023
Borrowings (£'000)	a	**–**	15,730
Cash (£'000)	b	**22,300**	21,025
Amounts due to brokers (£'000)	c	**–**	–
Amounts due from brokers (£'000)	d	**–**	62
Shareholders' funds (£'000)	e	**203,306**	339,534
Net cash	(a-b+c-d)/e	**(11.0)%**	(1.6)%

Ongoing charges

The ongoing charges ratio has been calculated in accordance with guidance issued by the AIC as the total of investment management fees and administrative expenses and expressed as a percentage of the average daily net asset values with debt at fair value published throughout the year.

	2024 £	2023 £
Investment management fees	**948,000**	1,126,000
Administrative expenses	**1,509,000**	1,184,000
Less: non-recurring charges[A]	**(525,000)**	(31,000)
Ongoing charges	**1,932,000**	2,279,000
Average net assets with debt at fair value	**298,853,000**	351,878,000
Ongoing charges ratio (excluding look-through costs)	**0.65%**	0.65%
Look-through costs[B]	**1.71%**	1.09%
Ongoing charges ratio (including look-through costs)	**2.36%**	1.74%

[A] Comprises legal and professional fees unlikely to recur including those associated with the reduction in issued share capital and subsequent issue and redemption of B shares.
[B] Calculated in accordance with AIC guidance issued in October 2020 to include the Company's share of costs of holdings in investment companies on a look-through basis.

The ongoing charges ratio provided in the Company's Key Information Document is calculated in line with the PRIIPs regulations, which includes financing and transaction costs. This can be found within the literature library section of the Company's website: **abrdndiversified.co.uk**.

Total return

NAV and share price total returns show how the NAV and share price has performed over a period of time in percentage terms, taking into account both capital returns and dividends paid to shareholders. NAV and share price total returns are monitored against open-ended and closed-ended competitors, and the Reference Index, respectively.

Year ended 30 September 2024		NAV (debt at par)	NAV (debt at fair value)[A]	Share Price
Opening at 1 October 2023	a	**112.7p**	**n/a**	**83.6p**
Closing at 30 September 2024	b	**67.5p**	**n/a**	**44.5p**
Price movements	c=(b/a)-1	**-40.1%**	**n/a**	**-46.8%**
Dividend reinvestment[AB]	d	**37.8%**	**n/a**	**54.9%**
Total return	c+d	**-2.3%**	**n/a**	**+8.1%**

[A] 2024 n/a due to the 6.25% Bonds 2031 being repaid during the year.

[B] Includes the 38.10p per Ordinary share return of capital made during the year.

Year ended 30 September 2023		NAV (debt at par)	NAV (debt at fair value)	Share Price
Opening at 1 October 2022	a	117.8p	117.6p	89.8p
Closing at 30 September 2023	b	112.7p	112.6p	83.6p
Price movements	c=(b/a)-1	-4.3%	-4.3%	-6.9%
Dividend reinvestment[A]	d	4.7%	4.7%	6.2%
Total return	c+d	+0.4%	+0.4%	-0.7%

[A] NAV total return involves investing the net dividend in the NAV of the Company with debt at fair value on the date on which that dividend goes ex-dividend. Share price total return involves reinvesting the net dividend in the share price of the Company on the date on which that dividend goes ex-dividend.

General

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of abrdn Diversified Income and Growth plc (the "Company") will be held at 10.00 am on 26 February 2025 at 18 Bishops Square, E1 6EG, for the following purposes:

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. To receive the Directors' Report, the Auditors' Report and the audited financial statements for the year ended 30 September 2024.
2. To receive and adopt the Directors' Remuneration Report (other than the Directors' Remuneration Policy) for the year ended 30 September 2024.
3. To approve the Company's dividend policy to continue to pay interim dividends.
4. To re-elect Alistair Mackintosh as a Director of the Company.*
5. To re-elect Trevor Bradley as a Director of the Company.*
6. To re-elect Tom Challenor as a Director of the Company.*
7. To re-elect Davina Walter as a Director of the Company.*
8. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company to hold office from the conclusion of the Annual General Meeting of the Company until the conclusion of the next annual general meeting at which financial statements and reports are laid before the Company.
9. To authorise the Directors to fix the remuneration of the auditors.

To consider and, if thought fit, pass the following resolutions as special resolutions:

Authority to Make Market Purchases of Shares

10. That the Company be generally and, subject as hereinafter appears, unconditionally authorised in accordance with section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of fully paid Ordinary shares on such terms and in such manner as the Directors from time to time determine, and to cancel or hold in treasury such shares, provided always that:

    a) the maximum number of shares hereby authorised to be purchased shall be an aggregate of 45,159,766 Ordinary shares or, if less, the number representing 14.99% of the Ordinary shares in issue (excluding shares already held in treasury) as at the date of the passing of this resolution;

    b) the minimum price which may be paid for a share shall be 1 pence;

    c) the maximum price (exclusive of expenses) which may be paid for a share shall be the higher of (a) an amount equal to 105% of the average of the middle market quotations for a share taken from, and calculated by reference to, the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which the share is purchased; and (b) the higher of the price of the last independent trade and the highest current independent bid at the time the purchase is carried out;

    d) the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company or on 31 March 2026, whichever is earlier, unless such authority is previously revoked, varied or renewed prior to such time; and

    e) the Company may make a contract or contracts to purchase shares under the authority hereby conferred prior to the expiry of such authority and may make a purchase of shares pursuant to any such contract or contracts notwithstanding such expiry above.

Authority to Call General Meetings on not less than 14 Clear Days' Notice

11. That a general meeting, other than an annual general meeting, may be called on not less than 14 clear days' notice.

*The biographies of the Directors offering themselves for re-election may be found on pages 34 and 35.

By order of the Board
abrdn Holdings Limited
Company Secretary
20 January 2025

Registered Office
1 George Street
Edinburgh EH2 2LL

Notes

(1) Only those Shareholders registered in the Register at close of business on 24 February 2025 shall be entitled to attend and/or vote at the Annual General Meeting in respect of the number of shares registered in their name at that time (the "specified time"). If the Annual General Meeting is adjourned to a time not more than 48 hours after the specified time applicable to the original Meeting, that time will also apply for the purpose of determining the entitlement of shareholders to attend and/or vote at the adjourned meeting. If the Annual General Meeting is adjourned for a longer period, the time by which a person must be entered on the Register in order to have the right to attend and/or vote at the adjourned meeting is close of business two days (excluding non-working days) prior to the time of the adjourned meeting. Changes to entries on the Register after the relevant deadline shall be disregarded in determining the rights of any person to attend and/or vote at the Annual General Meeting.

(2) Holders of Ordinary shares are entitled to attend and vote at the Annual General Meeting or any adjournment thereof. If you wish to attend, there will be a members' register to sign on arrival.

(3) As at 20 January 2025 (being the latest practicable day prior to the date of approval of this Report) the Company's issued share capital consisted of 301,265,952 Ordinary shares with voting rights and 22,485,854 Ordinary shares in treasury. Each Ordinary share carries the right to one vote at general meetings. Therefore the total voting rights in the Company at 20 January 2025 were 301,265,952.

(4) A Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend, speak and vote instead of him or her, provided that if two or more proxies are appointed, each proxy must be appointed to exercise the rights attaching to different shares. A Form of Proxy is enclosed with this Notice. A proxy need not be a Shareholder of the Company. Completion and return of the Form of Proxy will not preclude Shareholders from attending or voting at the Annual General Meeting, if they so wish. Details of how to appoint the Chairman of the Annual General Meeting or another person as your proxy using the Form of Proxy are set out in the notes to the Form of Proxy. If you wish your proxy to speak on your behalf at the Annual General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to the proxy. In the event that a Form of Proxy is returned without an indication as to how the proxy shall vote on the resolutions, the proxy will exercise his or her discretion as to whether, and if so how, he or she votes.

(5) To be valid, the Form of Proxy, together with the power of attorney or other authority, if any, under which it is executed (or a notarially certified copy of such power or authority) must be deposited with the Company's Registrar, for this purpose being Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, as soon as possible, but in any event not later than 48 hours (excluding non-working days) before the time fixed for the Annual General Meeting. If you have any queries relating to the completion of the Form of Proxy, please contact Computershare Investor Services on 0330 303 1184 (lines are open 8.30am to 5.30 p.m. Monday to Friday, excluding public holidays). Computershare Investor Services PLC cannot provide advice on the merits of the business to be considered nor give any financial, legal or tax advice. Alternatively, if the Shareholder holds his or her shares in uncertificated form (i.e. in CREST) they may vote using the CREST System (see note (10) below).

(6) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its registered office or the address specified in note (5) above before the commencement of the Annual General Meeting or adjourned meeting at which the proxy is used. Where there are joint holders of any share, any one of such persons may vote at any Meeting, and if more than one of such persons is present at any meeting personally or by proxy, the vote of the senior holder who tenders the vote shall be accepted to the exclusion of the votes of other joint holders and, for this purpose, seniority will be determined by the order in which the names stand in the Register.

(7) Any person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual 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. Nominated Persons should also remember that their main point of contact in terms of their investment in the Company remains the Shareholder who nominated the Nominated Person to enjoy information rights (or, perhaps the custodian or broker who administers the investment on their behalf). Nominated Persons should continue to contact that Shareholder, custodian or broker (and not the Company) regarding any changes or queries relating to the Nominated Person's personal details and interests in the Company (including any administrative matter). The statement of the rights of Shareholders in relation to the appointment of proxies in notes (4) to (7) does not apply to Nominated Persons. The rights described in these notes can only be exercised by Shareholders of the Company.

(8) Any corporation which is a Shareholder may authorise such person as it thinks fit to act as its representative at the Annual General Meeting. Any person so authorised shall be entitled to exercise on behalf of the corporation which he represents the same powers (other than to appoint a proxy) as that corporation could exercise if it were an individual Shareholder (provided, in the case of multiple corporate representatives of the same corporate Shareholder, they are appointed in respect of different shares owned by the corporate Shareholder or, if they are appointed in respect of the same shares, they vote the shares in the same way). To be able to attend and vote at the Annual General Meeting, corporate representatives will be required to produce prior to their entry to the Annual General Meeting evidence satisfactory to the Company of their appointment.

(9) To allow effective constitution of the Annual General Meeting, if it is apparent to the Chairman that no Shareholders will be present in person or by proxy, other than by proxy in the Chairman's favour, then the Chairman may appoint a substitute to act as proxy in his stead for any Shareholder, provided that such substitute proxy shall vote on the same basis as the Chairman.

(10) Notes on CREST Voting. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual, which is available to download from the Euroclear UK & Ireland ("Euroclear") website (euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

a. In order for a proxy appointment or instruction made using the CREST system to be valid, the appropriate CREST message (a "CREST proxy instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent 3RA50 by 10.00 am on 24 February 2025. 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 applications Host) from which the issuer's agent is able to retrieve the message.

b. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or CREST sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) takes(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by a particular time. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual.

c. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. In any case, a proxy form must be received by the Company's Registrar no later than 10.00 am on 24 February 2025.

Notice of Annual General Meeting

Continued

(11) The attendance at the Annual General Meeting of Shareholders and their proxies and representatives is understood by the Company to confirm their agreement to receive any communications made at the Annual General Meeting.

(12) Shareholders are advised that unless otherwise provided, the telephone numbers and website addresses which may be set out in this Notice or the Form of Proxy/Form of Direction are not to be used for the purpose of serving information or documents on the Company including the service of information or documents relating to proceedings at the Annual General Meeting. If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's shares already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure Guidance and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Conduct Authority. As a result any person holding 3% or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and the Financial Conduct Authority.

(13) In accordance with Section 311A of the Companies Act 2006, the contents of this notice of Meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the Annual General Meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website, **abrdndiversified.co.uk.**

(14) Pursuant to Section 319A of the Companies Act 2006, the Company must cause to be answered at the Annual General Meeting any question relating to the business being dealt with at the Annual General Meeting which is put by a Shareholder attending the Annual General Meeting, except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the Annual General Meeting that the question be answered or if to do so would involve the disclosure of confidential information.

(15) Shareholders should note that it is possible that, pursuant to requests made by Shareholders of the Company under section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to: (a) the audit of the Company's financial statements (including the auditors' report and the conduct of the audit) that are to be laid out before the Annual General Meeting; or (b) any circumstance connected with auditors of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006, that the shareholders propose to raise at the Annual General Meeting. The Company may not require the Shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditors not later that the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on the website.

(16) The "Vote Withheld" option on the Form of Proxy is provided to enable a member to abstain on any particular resolution. It should be noted that an abstention is not a vote in law and will not be counted in the calculation of the proportion of votes "For" or "Against" a particular resolution.

(17) Physical attendance at the Annual General Meeting may not be possible. If the law, Government guidance or terms and conditions stipulated by the venue for the Annual General Meeting so requires at the time of the meeting, the Chairman will limit, in his or her sole discretion, the number of individuals in physical attendance at the meeting. Notwithstanding this, the Company may still impose entry restrictions on certain persons wishing to attend the meeting in order to ensure the health and safety of those attending. In such circumstances, physical attendance may be limited to two persons as the minimum number required to form a quorum.

The Company strongly encourages Shareholders to appoint the Chairman as their proxy to ensure their votes are registered. Instructions for submitting a proxy are contained in Notes (4) to (7) above.

Shareholders are also encouraged to submit any questions in advance of the Annual General Meeting by email to: **diversified.income@abrdn.com**

Apportionment Ratio for B shares

Further to Part 5 of the Circular to shareholders published on 17 June 2024 (the "Circular"), the following sets out the apportionment ratio in relation to the B shares, further to the capital distribution to shareholders on 10 July 2024. The Circular may be found on the Company's website.

For the purposes of United Kingdom taxation of capital gains and corporation tax on chargeable gains ("Capital Gains Tax"), the issue of B Shares constitutes a reorganisation of the share capital of the Company. Accordingly, the B Shares are treated as the same asset as a shareholder's holding of existing Ordinary shares, and as having been acquired at the same time as a shareholder's holding of existing Ordinary shares was acquired. A shareholder's combined holding of Ordinary shares and B shares has the same aggregate base cost as the shareholder's holding of Ordinary shares immediately before the issue of B shares. The aggregate base cost should be apportioned between B shares and the Ordinary shares held by a shareholder by reference to the market values of the Ordinary shares and the B shares on the first day of trading after the issue of B shares.

Due to the terms on which the B Shares were issued and subsequently redeemed, and as they were unlisted and non-transferable, their market value has been assessed, below, as equal to their nominal value of one pence on 5 July 2024. The market value of the Ordinary shares is calculated with reference to their market value on the first day of trading after the issue of the B shares, which is considered to be 5 July 2024.

Accordingly, the aggregate base cost of the Ordinary shares which should be apportioned against the B Shares redemption proceeds, received by shareholders on 10 July 2024, is **45.79%,** calculated as follows:

Class of share	Market value on first day of trading (pence per share)	Relevant ratio used for the issue of B Shares	Relevant value (pence per share)	Relevant percentage
Ordinary share*	45.1	21	947.1	**54.21%**
B Share	1	800	800	**45.79%**

* The lower of the two prices for an Ordinary share shown in the London Stock Exchange Daily Official List for 5 July 2024 as the closing price for an Ordinary share on that day plus one-half of the difference between those two figures in accordance with SI 2015/616.

United Kingdom taxation

The information above does not constitute tax advice and is intended only as a guide to United Kingdom law and HMRC published practice (which are both subject to change at any time, possibly with retrospective effect) in June 2024. It relates only to certain limited aspects of the United Kingdom taxation treatment of shareholders and is intended to apply only to shareholders who are resident in the United Kingdom for United Kingdom tax purposes and who are, and were the absolute beneficial owners of their Ordinary shares and B Shares and who hold, or held, them as investments (and not as securities to be realised in the course of a trade) other than under an ISA. The information above may not apply to certain shareholders, such as, but not limited to, dealers in securities, insurance companies, collective investment schemes and shareholders who are exempt from taxation. The position may be different for future transactions.

Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the United Kingdom should consult an appropriate professional adviser.

Contact Addresses

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Trevor Bradley
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Legal Entity Identifier Number ("LEI")
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Authorised and regulated by the Financial Conduct Authority

Investment Manager
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1 George Street
Edinburgh EH2 2LL

Authorised and regulated by the Financial Conduct Authority

Registrar (for direct shareholders)
Computershare Investor Services PLC operates a secure online website where shareholdings can be managed quickly and easily, including changing address or arranging to pay dividends directly into a bank account or receive electronic communications:

investorcentre.co.uk

Alternatively, please contact the registrar:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ

E-mail is available via the above website
Telephone: **0330 303 1184**
(UK calls cost 10p per minute plus network extras)
Lines are open 8.30 a.m. to 5.30 p.m. Monday to Friday, excluding public holidays

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