



abrdn Asian Income Fund Limited

Targeting the income and growth potential of Asia's most compelling and sustainable companies

Performance Data and Analytics to 31 May 2024

Investment objective

To provide investors with a total return primarily through investing in Asia Pacific securities, including those with an above average yield. Within its overall investment objective, the Company aims to grow its dividends over time.

Benchmark

The Company's portfolio is constructed without reference to the composition of any stock market index or benchmark. It is likely, therefore, that there will be periods when its performance will be quite unlike that of any index or benchmark and there can be no assurance that such divergence will be wholly or even primarily to the Company's advantage. The Manager uses the MSCI AC Asia Pacific ex Japan Index (currency adjusted) for Board reporting purposes.

Cumulative performance (%)

	as at 31/05/24	1 month	3 months	6 months	1 year	3 years	5 years
Share Price	208.0p	2.0	3.7	10.0	8.2	6.9	28.9
NAV ^A	237.4p	0.2	3.8	8.9	8.9	8.6	31.3
MSCI AC Asia Pacific ex Japan		0.2	4.4	8.8	9.6	(5.5)	24.8

Discrete performance (%)

	31/05/24	31/05/23	31/05/22	31/05/21	31/05/20
Share Price	8.2	(1.3)	0.1	38.1	(12.6)
NAV ^A	8.9	(5.6)	5.6	32.8	(8.9)
MSCI AC Asia Pacific ex Japan	9.6	(6.0)	(8.3)	31.8	0.2

Total return; NAV cum income, with net income reinvested, GBP. Share price total return is on a mid-to-mid basis. Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value. Source: abrdn Investments Limited, Lipper and Morningstar.

Past performance is not a guide to future results.

^A Including current year revenue.

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Morningstar Sustainability Rating™



Morningstar Rating™



^B Morningstar Rating™ for Funds

Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.

Ten largest holdings (%)

TSMC	Taiwan	10.7
Samsung Electronics	Korea	6.2
DBS	Singapore	3.6
Power Grid	India	3.6
Oversea-Chinese Banking Corp.	Singapore	3.3
BHP	Australia	3.0
United Overseas Bank	Singapore	2.9
Venture	Singapore	2.5
Taiwan Mobile	Taiwan	2.4
Rio Tinto	Australia	2.3
Total		40.5

Total number of investments 58

All sources (unless indicated): abrdn: 31 May 2024.



1 Year Premium/Discount Chart (%)



Fund managers' report

Market and portfolio review

Asian equity markets were flat in May in sterling terms, outperforming the broader emerging markets but lagging major developed markets in Europe and the US. Markets in China and Hong Kong made marginal gains, following China's fresh policy measures to shore up the property sector and economy. Notable themes in May were continued momentum in artificial intelligence (AI) and semiconductor-related names, development in India's elections, and a softer than expected April US inflation print easing concerns over the US Federal Reserve's policy trajectory. Taiwan proved to be the strongest Asian market in May as the country's official GDP forecast for 2024 was raised largely thanks to an increase in the export of products linked to AI in the semiconductor sector. India equities pulled back slightly and trailed the region as investors observed the progress in the country's month-long general election. At the time of writing, we have seen some market volatility after it became apparent that the margin of victory for the governing BJP party was much narrower than anticipated.

In a results-heavy month, several of our holdings provided encouraging business updates and results. In China, Tencent's results comfortably exceeded consensus operating profit and net income expectations. Gaming remained better than feared with a strong turnaround in international games receipts. In Singapore, first-quarter results from Oversea-Chinese Banking Corporation (OCBC) were boosted by a contribution from insurer Great Eastern, which OCBC has recently proposed to take private by buying the remaining shares it does not already own. These followed impressive results from another of our holdings in the banking sector, DBS, which we reported last month. Finally, in the industrials sector, ST Engineering reported good results with an 18% year-on-year revenue increase for the first quarter.

Fund managers' report continues overleaf

^c Expressed as a percentage of average daily net assets for the year ended 31 December 2023. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.

^d With effect from 1 January 2024 the management fee was moved to a tiered basis: 0.75% per annum on the first £300m and 0.6% thereafter, all chargeable on the lower of market capitalisation or net asset value.

^e Calculated using the Company's historic net dividends and month end share price.

^f Net gearing is defined as a percentage, with net debt (total debt less cash/cash equivalents) divided by shareholders' funds.

^g The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the benchmark index holdings.

Country allocation (%)

	Trust	Regional Index	Month's market change
Taiwan	22.4	17.2	3.6
Singapore	18.7	3.1	2.1
Australia	16.2	16.0	1.8
China	10.7	25.9	0.7
India	7.3	17.3	(0.9)
Hong kong	6.2	4.2	0.8
Korea	6.2	11.0	(5.2)
New Zealand	3.9	0.4	2.8
Thailand	3.5	1.4	(3.2)
Indonesia	2.9	1.5	(7.7)
Japan	1.1	-	-
Malaysia	-	1.4	1.2
Philippines	-	0.5	(7.6)
Cash	1.0	-	-
Total	100.0	100.0	

Month's market change represents the individual country returns calculated using the MSCI Index series (£). Market change is Total Return in GBP.

Index may not add up to 100 due to rounding.

Source: abrdn Investments Limited and MSCI.

Fund risk statistics

	3 Years	5 Years
Annualised Standard Deviation of Fund	12.79	13.90
Beta	0.81	0.89
Sharpe Ratio	0.11	0.35
Annualised Tracking Error	5.71	5.60
Annualised Information Ratio	1.07	0.35
R-Squared	0.86	0.86

Source: abrdn & Factset.

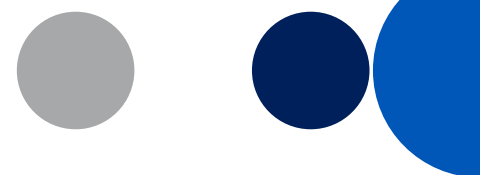
Basis: Total Return, Gross of Fees, GBP.

Please note that risk analytics figures are calculated on gross returns whereas the performance figures are based on net asset value (NAV) returns.

Key information

Calendar

Year end	31 December
Accounts published	April
Annual General Meeting	May
Dividend paid	February, May, August, November
Launch date	December 2005
Fund manager	Asian Equities Team
Ongoing charges ^c	1.00%
Annual management fee ^d	0.75% Market Cap (tiered)
Premium/(Discount)	(12.4)%
Yield ^e	5.7%
Net cash/(gearing) ^f	(7.3)%
Active share ^g	73.0%



Fund managers' report – continued

On ESG engagement, we were in contact with Commonwealth Bank of Australia to learn more about the company's approach to labour management, AI, anti-money laundering and counter-terrorism financing and executive remuneration. The bank has introduced various policies, oversight mechanisms, and investments in technology in these areas. It is also engaging with regulators regarding potential changes to executive remuneration and monitoring of anti-money laundering and counter-terrorism financing.

In terms of activity in the portfolio, we established two new positions in May. Firstly, we exited our holding in SAIC Motor Corp in favour of a new position in Fuyao Glass Industry, the number two player in the global auto glass industry, behind Asahi Glass. Shifting its product mix towards higher value-added products is expected to drive margin expansion. Secondly, we introduced a holding in Inner Mongolia Yili Industries (Yili), the largest dairy brand in China, at an attractive valuation, as it is well placed with strong bargaining power to benefit once the raw milk downcycle turns. Yili's management is also paying greater heed to shareholder returns, improving its dividend payout and guiding for a limited capex plan in the coming years. More broadly, we like Yili for its distribution strength amongst consumer staples names in China, which provides a firm base for steady growth in the long run. Its management has a clear vision and a prudent mind set, which helps its leading position in the market and enhances its financial profile compared to peers.

Outlook

We continue to be positive on the outlook for Asian equities. From a macroeconomic point of view, rates and inflation have likely peaked in the US, setting a positive scene for rate cuts in Asia. The outlook is bright due to broad-based growth across Asia and the fundamental strength of the companies in the portfolio which are typically leaders in the industries or markets in which they operate. Furthermore, the turnaround in the IT and semiconductor cycle and near-shoring continues to benefit companies and countries in the region. China is showing signs of bottoming and recent corporate results have underscored the strength of some business franchises.

We continue to ensure that our positioning appropriately reflects our conviction, focusing on earnings visibility and cash flow. Quality companies with solid balance sheets and sustainable earnings prospects will emerge stronger in tough times. We continue to favour fundamental themes, which we believe will deliver good dividends for shareholders over the long run.

The risks outlined overleaf relating to gearing, emerging markets, exchange rate movements and warrants are particularly relevant to this investment company but should be read in conjunction with all warnings and comments given. Important information overleaf

AIFMD Leverage Limits

Gross Notional	2.5x
Commitment	2x

Assets/Debt (£m)

Equities	405.7
Fixed Income	3.3
Gross Assets	412.2
Debt	32.1
Cash & cash equivalents	4.4

Capital structure

Ordinary shares	160,073,766
Treasury Shares	34,859,623

Allocation of management fees and finance costs

Capital	60%
Revenue	40%

Borrowing policy

Up to 25% of net assets (measured at the time any borrowings are drawn down).

Trading details

Reuters/Epic/Bloomberg code	AAIF
ISIN code	GB00B0P6J834
Sedol code	B0P6J83
Stockbrokers	Stifel Nicolaus Europe Limited
Market makers	SETSm



Factsheet

Receive the factsheet by email as soon as it is available by registering at www.abrdn.com/trustupdates www.asian-income.co.uk



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Important information

Risk factors you should consider prior to investing:

- The value of investments, and the income from them, can go down as well as up and investors may get back less than the amount invested.
- Past performance is not a guide to future results.
- Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years.
- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- The Company may charge expenses to capital which may erode the capital value of the investment.
- Movements in exchange rates will impact on both the level of income received and the capital value of your investment.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- The Company invests in emerging markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.
- Derivatives may be used, subject to restrictions set out for the Company, in order to manage risk and generate income. The market in derivatives can be volatile and there is a higher than average risk of loss.

Other important information:

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