

Edinburgh Dragon Trust

Focused on quality

Edinburgh Dragon (EFM) has some natural advantages as the largest and one of the most liquid Asian investment companies. Its focus on buying high quality companies at attractive valuations appears to have served it well over the long term but in recent years its performance has lagged its peer group. However, the manager believes current market volatility could herald a return to form for the fund.

In this initiation note we explain how Edinburgh Dragon is managed and the thinking behind its current portfolio positioning. The note also delves, in some detail, into the workings of the fund.

Capital growth from larger Far Eastern companies

Edinburgh Dragon aims to generate long-term capital growth through investment in the Far East. Investments are made mainly in stock markets in the region, with the exception of Japan and Australasia, principally in large companies. The Company utilises gearing with a view to maximising returns over the longer term. The manager selects companies for the portfolio that they consider to have proven management and are attractively priced.

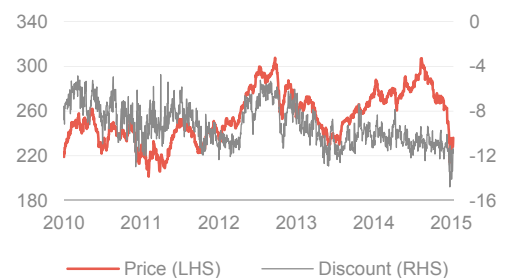
Year ended	Share price total return (%)	NAV total return (%)	MSCI AC Asia Ex-Japan tot. return (%)	MSCI AC World total return (%)
31/08/11	5.8	4.9	9.5	13.7
31/08/12	4.7	7.1	(3.0)	6.2
31/08/13	8.3	6.8	7.0	15.5
31/08/14	7.9	9.3	21.2	21.0
31/08/15	(12.8)	(12.4)	(16.1)	6.3

Source: Morningstar and Marten & Co

Sector	Asia excl. Japan
Ticker	EFM
Benchmark	MSCI All Country Asia (ex Japan)
Base Currency	GBP
Price	229.5
NAV	261.09
Premium/(Discount)	(12.1%)
Yield %	1.0

Share price and discount

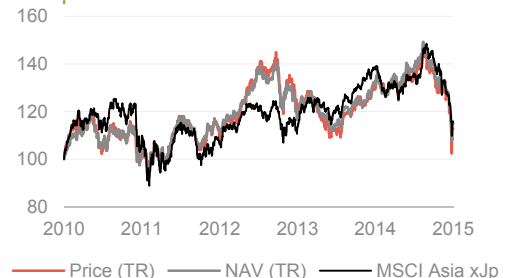
Time period 31/08/2010 to 10/09/2015



Source: Morningstar and Marten & Co

Performance over five years

Time period 31/08/2010 to 31/08/2015



Source: Morningstar and Marten & Co

Domicile	UK
Inception Date	7 September 1987
Manager	Team managed
Market Cap (GBP)	445.1m
Shares Outstanding	194.0m
Trading Vol (1 yr avg)	221k
Net Gearing	9.4%

Contents

3	Market outlook – moving back to normality?
3	Figure 1: MSCI AC Asia Ex-Japan/MSCI China over 10 years
3	Figure 2: Asia and global index F12m PE Ratios over 5 years
4	EFM: Modestly geared exposure to large cap Far Eastern equities
4	Managers' views (as represented by Aberdeen's Adrian Lim)
6	Investment strategy
6	Portfolio
7	Figure 3: Geographical allocation as at 31 July 2015
7	Figure 4: Sectoral allocation as at 31 July 2015
7	Figure 5: Top ten holdings as at 31 July 2015
8	Performance
9	Figure 6: EFM NAV/MSCI AC Asia Ex-Jp - rebased to 100 since 31 Aug 2010
9	Figure 7: Cumulative total return performance to 31 August 2015
10	Dividends
10	Discount
10	Figure 8: Premium/(Discount) over five years
11	Fees and costs
11	Capital structure and trust life
11	Board
12	Figure 9: Board member - length of service and shareholdings

Market outlook – moving back to normality?

Long-time investors in EFM or any of Aberdeen’s other Asian funds will likely be aware of the emphasis the manager places on the quality of the companies it invests in. Their investment style, outlined in the next section, is based on the philosophy that, in over the longer term, markets will come to recognise that quality of a company and its earnings and rate it accordingly. Markets go through phases however when investors are not rational or the actions of policymakers distort the investment landscape. Usually these phases are short-lived but the events of the credit crunch provoked unprecedented policy responses whose pernicious influence persists today.

Quantitative easing and the like has distorted markets...

Central bankers have injected liquidity into the global economy through quantitative easing and the like in an effort to shore up their economies and this has had a variety of distorting effect on markets. For example, investors in search of income have been chasing high yielding investments, low interest rates have fuelled speculation in some markets (notably domestic Chinese equities - Figure 1 illustrates how China has broadly outperformed the broader Asia ex-Japan region during the last ten years), and they have also provided a safety net for challenged companies that prevents much needed rationalisation in many sectors struggling with overcapacity. In this environment, valuations have risen across the board (see Figure 2 where the Chinese equity bubble is more clearly illustrated) and, with the safety net provided by cheap finance, traditionally ‘lower quality shares’ have benefitted disproportionately, whilst companies with ‘higher quality earnings’ have effectively lagged.

... but this phase may be drawing to a close

In the US at least, the indication is that the central bank wants to normalise the economy and, whilst it is hard to predict what the impact on the world economy will be, once the crutch of low US interest rates is removed, market volatility across the globe seems to increase at any mention of a US rate rise. As economies normalise, the market may start to place greater importance on the quality of a company and its earnings. If so EFM, with its emphasis on quality, may be well positioned to benefit.

The Manager believes this could allow Edinburgh Dragon to return to form

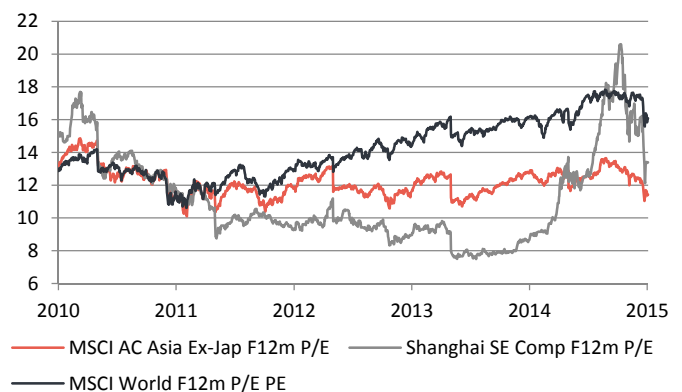
We talked to Adrian Lim, one of Aberdeen’s senior investment managers working on Edinburgh Dragon and he believes we may be edging closer to a time when markets are better suited to Aberdeen’s style and therefore a return to form for Edinburgh Dragon. Adrian’s views on economies and markets are included in this note.

Figure 1: MSCI AC Asia Ex-Japan/MSCI China over 10 years



Source: Bloomberg and Marten & Co.

Figure 2: Asia and global index F12m PE Ratios over 5 years



Source: Bloomberg and Marten & Co.

EFM: Modestly geared exposure to large cap. Far Eastern equities

Additional information is available at the trust's website, www.edinburghdragon.co.uk

Edinburgh Dragon Trust Plc is a UK investment trust, listed on the main market of the LSE that invests primarily in equity securities of larger capitalisation companies listed on Far Eastern stock markets, with the objective of achieving capital growth over the longer term. Launched in 1987, EFM has been managed by the Aberdeen Asset Management Group of companies since Aberdeen's purchase of Edinburgh Fund Managers in 2003. Aberdeen Asset Management has £307.3bn of assets under management, of which £35.1bn is invested in funds investing in the shares of Asian companies (as at 30 June 2015).

On a day to day basis the portfolio, which comprises c 60 stocks, is managed by Aberdeen Asset Management Asia on behalf of Aberdeen Fund Managers Limited. Aberdeen's Asian business is often associated in investors' minds with Hugh Young, who heads up its Asia Pacific team but that team comprises around forty investment professionals, based in the region, and investment decisions are taken by the team rather than any individual. The team regularly reviews the composition of each portfolio although senior investment manager, Adrian Lim, takes a leading role in managing the portfolio.

The trust has permanent gearing provided by its Convertible Unsecured Loan Stock (see page 11 for more details) and, whilst the manager has the ability to flex this by using other short term borrowings or holding cash, the trust typically maintains net gearing in the region of 8% to 10% over the longer term. EFM's benchmark is the MSCI All Countries Asia Ex-Japan Index, which excludes Japan, Australia, New Zealand and Sri Lanka.

Managers' views (as represented by Aberdeen's Adrian Lim)

EFM's managers expect that recovery in Asia will be driven by China, India, Indonesia and Vietnam.

Aberdeen's view is that, if you look across Asia at present, no economy appears to be firing on all cylinders but they expect that a recovery in the region, when it comes, will be driven by China, India, Indonesia and Vietnam. They think that in China, a market where EFM is underweight, what looked like a nascent recovery was just a function of the roaring stock market which dragged in some of the liquidity that had been waiting on the side-lines. When the Chinese Communist Party's leadership changed two years ago, Adrian Lim (one of Aberdeen's senior investment managers working on Edinburgh Dragon) says that their initial impressions were favourable. The new guard seemed committed to tackling corruption and they got on with pushing through reforms. But, when the economy stumbled, the government maybe overreacted and, in hindsight, threw too much liquidity at the economy. Aberdeen believe this was one trigger for the sharp rise in the Chinese stock market.

Aberdeen are topping up their portfolios very selectively on weakness as they still think valuations are quite frothy.

Aberdeen are topping up their portfolios very selectively on weakness but Lim says that they think valuations are still quite frothy. Many investors in the Chinese market are borrowing money to invest and they think these borrowings could account for as much as 15%-30% and, for this reason, Aberdeen are worried that falling markets could trigger stop losses and suspensions, which in turn could result in the market cascading downwards as investors sell to repay their borrowings.

Chinese equity bubble is largely contained within the domestic stock market in Aberdeen's view.

The manager has been trimming positions in India as reality is lagging perception post Modi's election victory.

Falling oil price has benefitted most Asian economies with the exception of Malaysia.

US interest rate rises will herald a stronger US economy with higher imports, which may lead to a buying opportunity if markets fall.

In any case, Lim says that they are just not finding enough Chinese companies that pass their quality thresholds and, even when they do, these are either priced unrealistically or they are otherwise good companies operating in industries with considerable excess capacity, representing a threat to long-term profitability.

Lim's view is that the Chinese equity "bubble" seems to have been largely contained within the domestic Chinese stock market, with limited spill over into Hong Kong but not much to other markets. This includes Taiwan, Japan and Korea where it might have reasonably been expected to show up. Lim points out that the Hong Kong stock exchange is now more closely linked to the Shanghai exchange through the Shanghai-Hong Kong Connect.

One other key market in the region is India which had been buoyed by the euphoria that followed the election of Narendra Modi. Modi has set an ambitious policy agenda but the managers fear that reality is lagging perception and that Modi's policies will take time to work. Aberdeen are encouraged by the Indian central bank's actions, which they consider to be prudent and believe the Indian economy is set fair over the medium-term. In the meantime, a softer stock market is not necessarily a bad thing, in their view, as it should make investors more rational. Reflecting the balance of these considerations, they have trimmed positions in India. We asked about the effect of Chinese devaluation on India, the manager thought this would be minimal as they don't really compete in many of the same industries. Generally they think the benefits of competitive devaluation are short lived.

Aberdeen believe that a lower oil price is beneficial for most of Asia, except Malaysia, where falling oil prices are hurting a Government that is already beleaguered by scandal. Aberdeen believe their Malaysian holdings are capable of growth regardless.

Aberdeen's outlook for the Thai economy is mixed. The issue of former Prime Minister, Thaksin, remains unresolved and, at some point the military government will have to hand over the reins to a civil government. The issue of the Royal succession is also in the news.

The managers think that when US interest rate rise this will lead to capital flowing back into the US but that a stronger US could start to suck in imports again, ultimately benefitting Asia. If rate rises lead to falling markets, they think this would present a buying opportunity.

Generally, Aberdeen believe that Asia is in good shape. They argue that companies, governments (except Malaysia) and, in most places, households have little debt. They say the levels of Price/Earnings ratios aren't demanding (the average P/E ratio within EFM's portfolio is higher than the market but this reflects the absence of state-owned, commodity and early stage companies within their portfolios). However, Lim believes that the conditions created by excess liquidity, most noticeably from EFM's perspective in China, have supported the valuations of lower quality company's disproportionately. Given their long term focus on higher quality companies, they think this has impacted on EFM's performance relative to its benchmark and its peer group. However, Lim believes that a renewed focus on quality, possibly triggered by the start of a return to more normal economic conditions, will see Aberdeen's investment style return to vogue as well as an improvement in relative performance.

Investment strategy

Portfolio construction reflects extensive in house fundamental research on portfolio candidates.

Aberdeen's philosophy rests on the idea that there is a "right" price for any company based on the underlying fundamentals of its business. Good businesses merit a higher valuation than poor ones and they want to invest in good companies.

Each stock must pass a quality test before they'll consider it. It has to be business with good growth prospects, capable of growing even in adverse economic conditions, with a defensible market position and a credible plan to exploit its growth prospects.

The company has to be managed by people Aberdeen trust who are motivated appropriately and have a track record of success. They want the company to be financially sound with conservative levels of debt, transparent accounting, visible earnings and a clean structure. The company must be managed for the benefit of shareholders and the interests of minority investors should be safeguarded. They will always visit a company before they invest in it.

Portfolio does not resemble the benchmark

In Aberdeen's view, risk is about losing money by investing in a poor quality company or overpaying for a good company and it is not about the risk of underperforming a benchmark. This means that they are happy not to hold stocks they don't like the look of even when those stocks are large constituents of a benchmark index. The size of each position is determined by the quality of the stock, the potential upside and their confidence in their valuation. Portfolios are reasonably concentrated with between 30 and 75 holdings and an initial position size of 1.5%. Asset allocation is a consequence of stock selection, though they will apply a sense check to ensure the portfolio is adequately diversified.

Modelling process focuses on things that might go wrong.

They use different metrics appropriate to the type of company to come up with their valuation and make comparisons with competitors. They produce simple models of projected returns for the company and they focus on what might go wrong.

Day to day gearing decisions are devolved to the manager.

Apart from obvious triggers such as takeovers or mergers, holdings are sold when they surpass their valuation target or where a better opportunity in the same field presents itself. If a review decided there had been a deterioration in the quality of an investment this could also be a reason to sell. Turnover is generally low, about 15% by volume and by name.

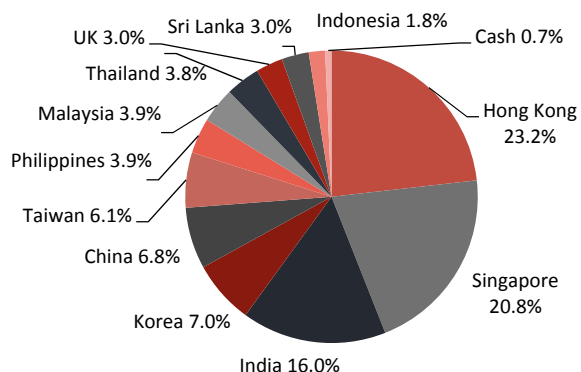
The Board has outsourced decisions on gearing (borrowing money to enhance returns) to Aberdeen. The maximum gearing the managers say they would have in practice is about 15% but, in recent times, the normal level has been around 10%.

Approximately 60 stock portfolio diversified by geography and sector.

Portfolio

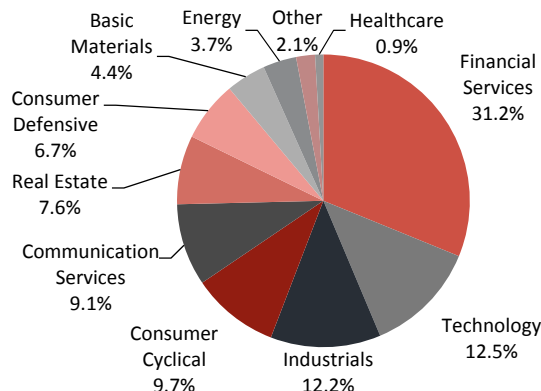
Edinburgh Dragon Trusts' portfolio comprises approximately 60 stocks (58 as at 31 July 2015) that are diversified by both geography and industry. Geographically, the biggest difference between the fund and the benchmark is an underweight to China (21.5% difference versus benchmark), which is accompanied by a significant underweight to Taiwan (-8.7%) although these are partially offset by an overweight to Hong Kong (+9.9%). The trust also has a significant underweight to Korea (-9.8%) and overweights to Singapore and India (+15.2% and +9.9% respectively).

Figure 3: Geographical allocation as at 31 July 2015



Source: Edinburgh Dragon Trust

Figure 4: Sectoral allocation as at 31 July 2015



Source: Morningstar

Figure 5: Top ten holdings as at 31 July 2015

Holding	Sector	Geography	Allocation 31 July 2015 (%)	Allocation 31 Jan 2015 (%)	Percentage point change
Overseas-Chinese Banking Corp.	Financials	Singapore	5.1	4.9	0.2
Samsung Electronics Pref.	Electronics	Korea	4.3	5.6	(1.3)
Housing Development Finance	Financials	India	4.1	4.6	(0.5)
Jardine Strategic	Conglomerate	Hong Kong	4.1	4.6	(0.5)
Taiwan Semiconductor	Electronics	Taiwan	3.9	3.8	0.1
AIA	Financials	Hong Kong	3.8	4.2	(0.4)
HSBC	Financials	Hong Kong	3.7	3.6	0.1
Standard Chartered	Financials	HK / UK	3.6	3.3	0.3
United Overseas Bank	Financials	Singapore	3.4	3.5	(0.1)
China Mobile	Telecoms	China	3.3	3.8	(0.5)

Source: Edinburgh Dragon Trust and Marten & Co.

Manager selectively positive on banks and three Singaporean banks account for 9% of the portfolio.

As illustrated in Figure 5, nine out of the portfolio's top ten stocks as at the end of January remain in the top ten holdings as at the end of July and, with the exception of Samsung (discussed below) their portfolio weights at July end are within 0.5 percentage points of their allocations at the end of January.

Three Singaporean banks, OCBC (the largest holding), United Overseas Bank and DBS are, collectively more than 9% of the fund. OCBC is one of the largest banks in Singapore. The managers believe these banks are well run, solidly capitalised and conservatively managed. They say that between a third and 40% of earnings come from the wider SE Asian economies, HK and China and so Aberdeen see these holdings as a play on regional growth rather than just domestic Singapore companies. The banks are cash generative and although they have asset management, securities and investment bank business, the managers say that these elements do not dominate their earnings so profits are not especially volatile. Looking at valuation, these companies yield between 3.5% and 4% and are valued at 2x book, which the managers think is fairly priced because they are not stressed or distressed. Loan growth and defaults vary by market. For example, Singapore loan growth is in single digits but in markets like India loan growth is much faster. There are some economies, such as Thailand where growth is lower single digit and maybe even contracting.

Edinburgh Dragon's second largest holding is Samsung Electronics, which is the largest constituent of the MSCI AC Asia ex Japan Index. However, as we explained in the Investment Strategy section, Aberdeen will not hold a stock if they don't like it on quality and/or valuation grounds, even if it is a large part of the index. Indeed, of the

Manager positive on Samsung Electronics, reflecting its ability to harness technology, willingness to invest and integrate R&D, production and distribution

top ten constituents Edinburgh Dragon only held four in its portfolio at the end of July 2015. As a percentage of the portfolio, Samsung is the top ten holding that has experienced the largest change in its allocation over the last six-months although this in part reflects that the stock is now down approximately 17% since the end of January.

Aberdeen say that they like Samsung as, in their view, it has an ability to harness technology and a willingness to invest in its business in terms of R&D, production and distribution, integrating these in a way that they consider to be effective in crowding out competitors. They have exploited their large market positions in areas like smart phones and LCD televisions. The managers think they are good at building brands too. In smart phones they are a clear no.2 to Apple and while Chinese manufacturers may be able to produce large volumes more cheaply, Samsung is able to secure its future and secure its profitability by providing better service to the end customer. Samsung Electronics generates strong cash flows and has a decent balance sheet. It is a large and important part of the South Korean economy, which the manager believe gives Samsung political clout. It pays its employees well and the managers think it is well run.

Housing Development Finance (“HDFC”) is the largest mortgage provider in India. The managers’ report that the business is generating significant cash, which is being used to build the company into a more general finance business with investments in areas such as asset management, life insurance and a commercial bank. Aberdeen say that HDFC has an efficient low cost structure and that, whilst the Indian mortgage market has low penetration, policies encouraging home ownership are boosting this. HDFC has delivered credit growth of 17%-18% a year even with India not firing on all cylinders.

Jardine Strategic is a Hong Kong based conglomerate with a long history and is recognised for taking a long-term view on its businesses. Aberdeen point to the acquisition of Astra (motorbikes, cars and engineering equipment) in Indonesia as a good example of Jardine’s ability to deploy substantial firepower in acquisitions that they believe they can transform over the long-term. Jardine has the management depth to transform and support these businesses, in Aberdeen’s view. Another constituent of the group is Hong Kong Land, which the managers believe has a valuable land bank that would be hard to replicate. Aberdeen say that there are periods when Jardine Strategic is viewed as too staid but they deliver good returns over time.

Aberdeen’s approach means that they are generally cautious on technology stocks and they prefer to stick to companies with a track record of producing strong cash flows. For many technology companies as you are only as good as your last product and so Aberdeen are frequently concerned about the sustainability of returns. Taiwan Semiconductor is a longer term Aberdeen holding. The managers argue that it has a track record of keeping pace with its major competitors such as UMC, Intel and the major Japanese players because they use their strong cash flow to invest in R&D and distribution.

Performance

Please visit QuotedData.com for a comparison of EFM vs its Asia excluding Japan peer group.

As illustrated in Figure 6, EFM’s NAV performance has been flat against the benchmark, albeit with marked periods of under and outperformance, which is arguably a reflection of the Asian Equities Team’s investment style. The performance numbers in Figure 7 clearly show Asia’s underperformance relative to global markets

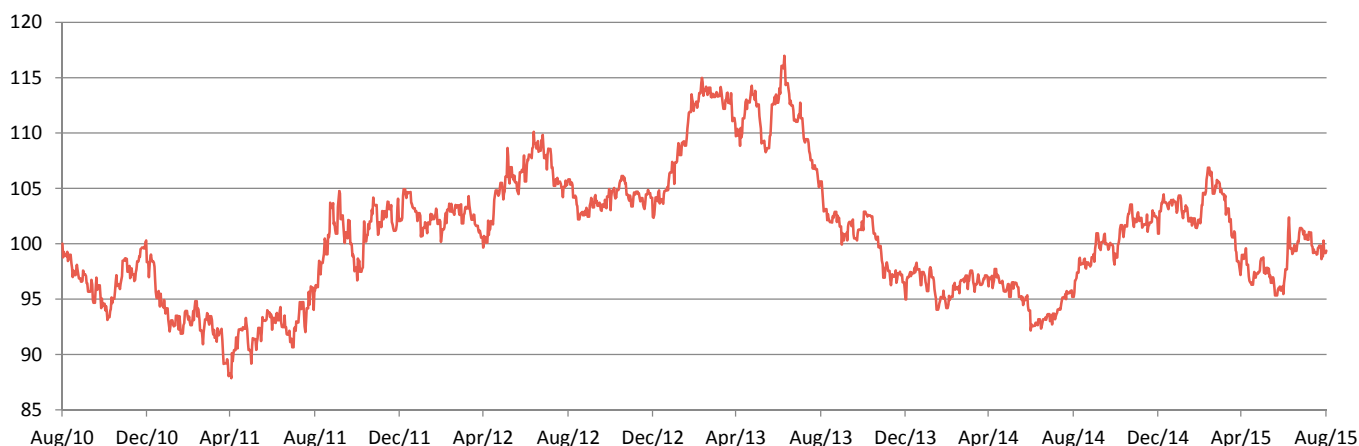
China underweight, reflecting quality considerations, has been a drag on performance.

over the past five years and the investment company peer group’s collective outperformance of its MSCI All Country Asia ex Japan benchmark over every time period.

In terms of underlying drivers, the manager highlights that there has been a significant rise in liquidity in the Chinese stock market. The trust has been consistently underweight Mainland China primarily because many companies do not meet their quality criteria. EFM has therefore been left behind as Chinese mainland stocks have moved up dramatically. Moreover, whilst the Hong Kong market has been affected to a certain extent, the excess liquidity in the Chinese market has been largely contained within China (hence the problem) and so the other markets in the region, where the trust has been overweight, have been relatively unaffected.

August saw a correction in the Shanghai Composite Index, which was reflected in the performance of other major global indices. The managers expect EFM’s portfolio to have performed broadly in line with its benchmark, noting that the underweights to Korea and Taiwan, in particular, will probably have been a detractor from relative performance. Although the Trust is underweight China, the managers’ say that in the short term, the correction in Shanghai is likely to have weighed heavily upon Dragon’s financial holdings, a sector that suffered particularly from China’s decision to devalue its currency.

Figure 6: EFM NAV/MSCI All Countries Asia Ex-Japan Index– rebased to 100 since 31 August 2010



Source: Morningstar and Marten & Co.

Figure 7: Cumulative total return performance to 31 July 2015

	1 month (%)	3 months (%)	6 months (%)	1 year (%)	3 years (%)	5 years (%)	10 years (%)
Edinburgh Dragon NAV	(10.3)	(17.0)	(15.5)	11.8	3.2	16.1	159.0
Peer Group Median NAV	(8.3)	(15.9)	(13.5)	9.4	14.9	30.7	174.2
Edinburgh Dragon Price	(10.9)	(17.2)	(16.1)	(12.8)	1.9	12.8	151.2
Peer Group Median Price	(9.0)	(16.4)	(15.5)	(10.1)	14.8	26.9	156.1
MSCI AC Asia ex Japan	(8.5)	(19.3)	(14.3)	(9.4)	12.4	15.6	134.1
MSCI AC World	(5.5)	(9.0)	(6.7)	1.2	35.2	58.0	95.7

Source: Morningstar and Marten & Co

Dividends

One dividend annually in December. Policy is to pay out just in excess of the minimum required for Edinburgh Dragon to maintain its investment trust status.

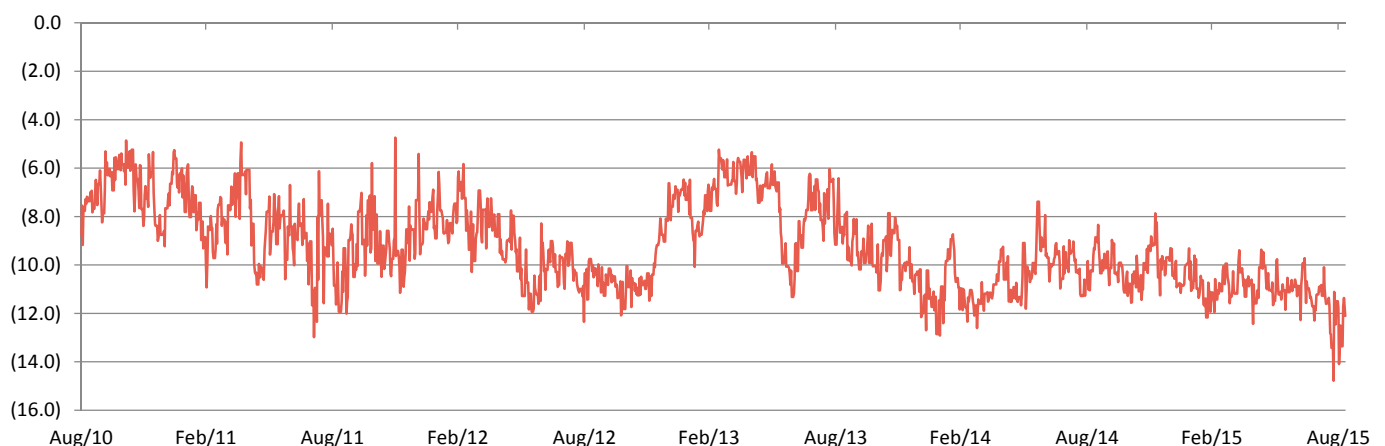
Reflecting EFM's focus on generating capital growth, the manager does not manage the portfolio to generate income and the Board's policy is to pay out one dividend a year, usually in December, which is just in excess of the minimum needed for the company to maintain its investment trust status. This means that the dividend may be volatile although, in practice, the dividend for the year ended 31 August 2014 was 2.2p, paid from revenue earnings of 3.4p and both these figures were unchanged on the previous year. With the exception of costs incurred in relation to the acquisition and disposal of investments, all fees are charged 100% to the revenue account. Such treatment will tend to dampen revenue earnings and therefore the level of income required to be paid out by way of the dividend. At the date of the publication of this report, the yield was 1.0%, in the lowest quartile of the yields of its peer group.

Discount

Improving outlooks for both China and other emerging Asian economies, as well as improvement in relative performance, could act as a catalysts for a sustained narrowing in EFM's discount.

With a view to managing EFM's discount, the manager is authorised to repurchase shares within certain (undisclosed) limits. No shares were repurchased during the year ended 31 August 2014 although, as illustrated in Figure 8, EFM's discount widened during the second half of 2013 (this may have been reflecting increasing concerns about a slowdown in China and a less favourable outlook for emerging Asian economies in general). Much of this movement has been sustained during the last 12-months with EFM trading between a discount of 7.9% and 14.8%. 2.2m shares have been bought back during the accounting year, of which 1.8m of were held in Treasury, with the rest being cancelled. At the current discount of 12.1%, EFM is trading towards the bottom end of its discount range in recent months. This compares to a median discount for its peer group of 9.8%. Moving forward, an improvement in the outlook for China and emerging Asia or perhaps an improvement in EFM's relative performance could be potential triggers for a narrowing of EFM's discount.

Figure 8: Premium/(Discount) over 5 years



Source: Morningstar and Marten & Co.

Regressive management fee – 1% on 1st £600m of net assets, 0.95% on next £400m and 0.8% on the balance.

Capital structure consists of ordinary shares and £59.8m nominal of CULS.

Next continuation vote is at the December 2015 AGM.

Fees and costs

The base management fee is 1% on the first £600m of net assets, 0.9% on the next £400m and 0.8% on the balance. There is no performance fee. Under the management agreement, Aberdeen Asset Management also provides secretarial and administrative services to the trust although there is no additional cost for this as it is already included in the base management fee. The arrangement is terminable on three months' notice by Edinburgh Dragon and six months' notice by Aberdeen Fund Managers Limited. The ongoing charges ratio for the year ended 31 August 2014 was 1.23% (2013: 1.23%).

Capital structure and trust life

The company's capital structure comprises both ordinary shares (194,084,344 in issue as at 28 August 2015 with 1,943,500 held in Treasury) and 3.5% Convertible Unsecured Loan Stock ("CULS", of which there is £59.8m nominal in issue). The CULS currently provide all of the trust's borrowings (gearing) and, as at 31 July 2015, EFM had gross gearing of 10.4% and net gearing of 9.4%. EFM can utilise bank loans and overdrafts to provide flexibility on a short term basis but does not currently have any such facility in place. The Board has set a maximum gearing level of 20% after deducting cash and cash equivalents.

The CULS, which pay a 3.5% coupon (paid semi-annually in arrears) on 31 January and 31 July each year, can be converted into ordinary shares at 310.1528 pence nominal of CULS for each ordinary share. Conversion is permissible every six months on 31 January and 31 July. The CULS mature on 31 January 2018 and any CULS not then converted will be redeemed at par. If, at any time after 31 January 2016, the middle market price of the Ordinary shares is 30% or more above the Conversion Price for at least 20 dealing days during a period of 30 consecutive dealing days, EFM will be able to require CULS holders to redeem their CULS at par. In such event, CULS holders would be given a final opportunity to convert their CULS into ordinary shares. Following conversion of 80 per cent. or more of the CULS issued (from a total issuance of £60m) and on any subsequent conversion date, EFM will be entitled to require remaining CULS holders to convert their outstanding CULS into ordinary shares after they have been given an opportunity to have their CULS redeemed. Any CULS not previously redeemed, purchased or converted will be repaid by the company on 31 January 2018 at their nominal amount.

EFM does not have a fixed life but shareholders are given a continuation vote, every three years, at the AGM. The next continuation vote is in December 2015.

Board

Edinburgh Dragon Trust's Board is made up of five independent non-executive directors, all of which retire and re-submit themselves for re-election on an annual basis. Allan McKenzie is a former chief operating officer and a managing director of BlackRock International Limited and was a fund manager specialising in Asian equities. Kathryn Langridge is also a fund manager and is the current Head of Global Emerging Market equities at Manulife. Tony Lowrie was a broker involved in Asian equities with ABN Amro (formerly Hoare Govett), Peter Maynard qualified as a

solicitor and was formerly Group Legal Director at Prudential and Iain McLaren is a chartered accountant, formerly with KPMG.

Figure 9: Board member - length of service and shareholdings

Director	Position	Appointed	Length of Service (yrs)	Annual Fee (GBP)	Shareholding
Allan McKenzie	Chairman	1 Sep 2006	9.0	£38,700	25,000 and £28,820 CULS
Kathryn Langridge	Director	29 Oct 2012	2.8	£25,800	5,000
Tony Lowrie	Senior Independent Director	4 Oct 2004	10.9	£25,800	None
Peter Maynard	Director	12 Oct 2011	3.9	£28,000	2,500
Iain McLaren	Chair of Audit Committee	6 Sep 2010	5.0	£30,100	10,000 and £20,379 CULS

Source: Edinburgh Dragon Trust and Marten & Co.

QuotedData

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IMPORTANT INFORMATION

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