

Fund guide abrdn UK Smaller Companies Fund

October 2025



Abby Glennie
Fund Manager



Amanda Yeaman
Fund Manager

Key features

£609.51m

Fund size

52

Number of holdings

25+

Years applying the
investment process



Silver Morningstar
medalist rating

Source: Aberdeen, 31 July 2025. Morningstar, 30 April 2024.

Why consider the Fund?

01	Performance: Over 25 years of performance through a focus on Quality, Growth, and Momentum (QGM) demonstrates the long-term returns and effectiveness of our UK smaller companies' long-term investment process.
02	Diversification: Investing in UK Smaller Companies provides diversification to a broader portfolio, giving exposure to more domestically focused companies and different sector exposures to what is found higher up the market cap.
03	Positive outlook: The UK hosts innovative, resilient companies with strong, improving earnings with a favourable outlook for Quality and Growth, providing good opportunity for bottom-up stock pickers.

Why invest now?



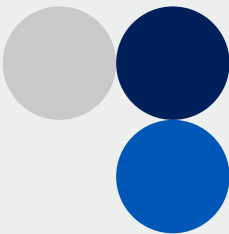
Undervalued growth potential – UK small caps are trading at historically low valuations compared to large caps and global benchmarks. Yet, they're delivering strong earnings growth, well above the UK economy and many global peers. This presents a strong opportunity to access compelling businesses at attractive entry points.



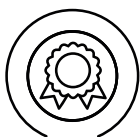
Supportive macro environment – a rate-cutting cycle should create a favourable backdrop for small caps. Historically, smaller companies have outperformed their larger counterparts following periods of monetary easing.



M&A Momentum – Bid activity remains high across UK markets, with 18% of FTSE 250 market cap acquired over the 18 months to June 2025. This underscores strong interest from both private and listed acquirers. Notably, bid premiums tend to rise as company size decreases, reflecting the strategic value seen in smaller businesses.

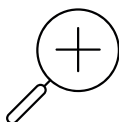


Why Aberdeen Investments?



Quality focus:

We seek companies that demonstrate a range of high-quality characteristics, operate in growing markets, and display positive business momentum.



Proprietary quants screening tool:

To aid our stock selection we use the MATRIX, which is our proprietary quants screening tool. This tool screens every company in the vast Smaller Companies universe on a range of factors, creating a more attractive and exciting subset of companies to research.



Tried and tested process:

Our dedicated Smaller Companies team use a process that has been unchanged since the 1990s, tried and tested through multiple economic cycles.

Product overview

Objective	To generate growth over the long term (5 years or more) by investing in UK small-capitalisation equities (company shares).
Performance target	To achieve a return in excess of the Deutsche Numis Smaller Companies Plus AIM ex Investment Companies Index over rolling five year periods (after charges). There is no certainty or promise that the management team will achieve the Performance Target.
Performance Comparator	Investment Association UK Smaller Companies Equity Sector Average. Deutsche Smaller Companies Plus AIM ex Investment Companies Index (the "Index") is a representative index of the UK stock market of smaller companies.
Structure	UK-authorised OEIC



abrdn UK Smaller Companies Fund

How has the Fund performed?

Discrete annual returns – year to 31 July

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Fund Performance %	18.94	-14.62	-24.03	37.85	7.40	-1.09	24.12	25.34	5.27	20.82
Index Performance %	16.32	-1.31	-13.33	53.66	-6.00	-4.21	7.72	26.96	1.59	16.47
Geometric Relative %	2.25	-13.49	-12.34	-10.29	14.25	3.27	15.23	-1.27	3.62	3.74

Performance data: As at 31 July 2025.

Performance Data: Share Class Institutional Inc GBP.

Benchmark history: Performance comparator – IA UK Smaller Companies Equity Sector Average.

Source: Aberdeen (Fund & Benchmark) and Morningstar (Sector). Basis: Total Return, NAV to NAV, UK Net/Gross Income Reinvested.

"Fund (Net)" refers to the actual unit price performance of the shareclass shown; "Fund(Gross)" adds back charges such as the annual management charge to present performance on the same basis as the performance target / performance comparator / portfolio constraining benchmark. These figures do not include the initial charge; if this is paid it will reduce performance from that shown.

Past performance is not a guide to future returns and future returns are not guaranteed.



Want to discuss more?
Contact your local
representative by
clicking **here**.

For more
information
visit our **website**.

Important Information

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.

- **Equity Risk** – The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- **Smaller and Mid Cap Risk** – The shares of small and mid-cap companies may be less liquid and more volatile than those of larger companies.
- **Concentration Risk** – A concentrated portfolio (whether by number of holdings, geographic location or sector) may be more volatile and less liquid than a diversified one.
- **Derivatives Risk** – The use of derivatives may involve additional liquidity, credit and counterparty risks. In some cases the risk of loss from derivatives may be increased where a small change in the value of the underlying investment may have a larger impact on the value of the derivative.
- More details of the risks applicable to this fund can be found in the Key Investor Information Document (KIID) and Prospectus, both of which are available on request or at our website **aberdeeninvestments.com**.

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