

Fund guide abrdn European Smaller Companies Fund

October 2025



Andrew Paisley
Fund Manager

Key features

£74.4m

Fund size

48

Number of holdings

25+

Years applying the
investment process



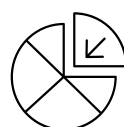
Silver Morningstar
medalist rating

Source: Aberdeen, 31 August 2025

Why consider the Fund?

01	Performance – Historically, European smaller companies have outperformed their larger peers by an average of 3.35% ¹ per annum since 2000. Small caps are sometimes seen as risky, but the higher risk accounts for the long-term return premium that you might achieve.
02	Breadth of opportunities – In Europe, smaller companies make up just under 68% ² of all listed companies. Yet they're under-researched by analysts. This leads to market mispricing – and opportunities for active investors.
03	Growth potential – Small caps have the potential to grow faster than larger peers and they're often sheltered from macro uncertainty due to local market exposure. These factors can provide diversification benefits if you add small caps to your large-cap equity portfolio.

Why invest now?



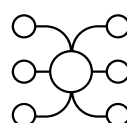
Attractive valuations versus large caps –

Small caps are trading at historic lows relative to large caps, offering an attractive entry point for investors.



Small Caps to benefit from domestic spending

– being more domestically focused we expect Smaller Companies to greater benefit from Germany releasing the debt brake and the significant infrastructure spending planned.



Diversification – Similar to the US market, European Large Caps have seen narrow market leadership. Adding dedicated European Smaller Companies exposure offers the prospect of diversification benefits within portfolios.

¹ Source: Morningstar Direct, 01/01/2001–31/05/2025 in €, performance of MSCI Europe & MSCI Europe Small Cap.

² Source: MSCI Europe Small Cap 903, MSCI Europe 420, 30/04/2024.





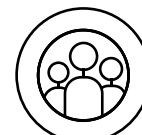
Why Aberdeen Investments?



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 longer term (5 years or more) by investing in European smaller capitalisation equities (company shares).
Performance target	To achieve a return in excess of the FTSE Developed Europe Small Cap Index over rolling five year periods (after charges). There is no certainty or promise that the Performance Target will be achieved. The FTSE Developed Europe Small Cap Index (the "Index") is a representative index of the stock market for European smaller companies.
Derivatives	Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.
Structure	UK-authorized OEIC.

Discrete annual returns – year to 31 July

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Fund Performance %	12.48	5.64	-18.62	39.05	4.35	6.19	20.08	28.77	8.17	7.44
Index Performance %	14.12	6.70	-12.21	43.79	-0.32	0.94	10.37	30.70	15.57	13.45
Geometric Relative %	-1.44	-1.00	-7.30	-3.30	4.69	5.20	8.80	-1.48	-6.41	-5.30

Performance Data: Share Class I Acc.

Benchmark history: Performance target – FTSE Developed Europe Small Cap Index. EMIX Smaller European Companies Index +3.00% from 30/10/2009 to 30/07/2023.

Source: Lipper. Basis: Total Return, NAV to NAV, UK Net 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 Aberdeen
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.
- 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.
- The shares of small and mid-cap companies may be less liquid and more volatile than those of larger companies.
- 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**.

The fund is a sub-fund of abrdn OEIC I, an authorised open-ended investment company (OEIC). The Authorised Corporate Director is abrdn Fund Managers Limited. The information contained in this marketing document should not be considered as an offer, investment recommendation or solicitation, to deal in the shares of any securities or financial instruments. It is not intended for distribution or use by any person or entity who is a citizen or resident of or located in any jurisdiction where such distribution, publication or use would be prohibited. No information, opinions or data in this document constitute investment, legal, tax or other advice and are not to be relied upon in making an investment or other decision. Subscriptions for shares in the fund may only be made on the basis of the latest Prospectus and relevant Key Investor Information Document (KIID) which can be obtained free of charge upon request or from **aberdeeninvestments.com**.

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