

Fund manager
Nish Patel



Morningstar rating†



Manager Commentary

Smaller companies surged in May as the US administration backtracked on some of its previous rhetoric on trade. Asia ex-Japan and the UK delivered particularly strong returns in the month. The leading sectors were technology, industrials and consumer discretionary. The laggards were healthcare, consumer staples and telecoms. This reflected increased risk appetite among market participants. Policy uncertainty remained high, and concerns lingered about the sustainability of economic growth and the future direction of inflation both in the US and in other regions. Despite this, macroeconomic data was better than expectations in most geographies with the exception of Japan.

Government bond yields rose in the month, particularly for longer-dated maturities as concerns grew about the sustainability of government budget deficits. Ratings agency Moody's downgraded the debt of the US. The recent trend of a weakening US dollar continued in the month, despite the pick-up in government bond yields. The gold price continued its recent ascent but showed signs of fatigue.

The Company's net asset value (NAV) climbed 5.5% in May. The discount widened a little in the period. The movement in the Company's NAV was slightly ahead of the benchmark, while the share price return was marginally behind.

In North America, our portfolio slightly underperformed the local index. Despite concerns over tariffs, specialty apparel retailer Boot Barn Holdings reported strong same-store sales growth and better-than-expected earnings. Diversified industrial Curtiss Wright delivered solid earnings from its defence electronics and naval and power businesses. Frontdoor, a provider of home warranty plans, executed well amidst a challenging housing market, with strong retention and impressive sales from its non-warranty business lines. On the negative side, construction materials company Eagle Materials suffered from lower volumes because of adverse weather and also experienced higher maintenance costs. Boxboard packaging company Graphic Packaging faced lower demand from a consumer base that is becoming more price sensitive. Business process outsourcer Genpact released good results but reduced its guidance as economic uncertainty is slowing decision making at the company's clients.

The UK portfolio outperformed its benchmark in May. IT services business FD Technologies received a takeover bid from private-equity firm TA Associates. Shares of casino and gaming operator Rank Group climbed after the UK Government published the first of its casino statutory instruments. Defence firm Chemring Group benefited from increased defence spending commitments by governments, prompting analysts to raise their earnings forecasts for the company. However, not all companies fared well - Auction Technology Group struggled with a lower-than-expected take rate in its arts and antiques business. Flexible office-space provider Workspace Group reported lower occupancy and reduced its profit expectations. Unfavourable weather in the current trading period led to a reduction in earnings guidance by bowling alley operator Hollywood Bowl.

The European portfolio strongly outperformed its benchmark during the month. RENK Group, an Austrian manufacturer of drive systems for military vehicles, reported robust orders and consequently earnings forecasts for the company rose. Bank of Ireland also delivered good results, along with the wider European banking sector. Kardex, a producer of materials-handling systems, received a broker upgrade. Glass-bottle manufacturer Vidrala suffered from a selloff in the sector because of lower volumes. Despite reporting good results, construction materials specialist Buzzi Unicem adopted a cautious stance and maintained its earnings guidance for the year, disappointing some investors. Pharmaceuticals producer Siegfried Holding was downgraded by a broker.

Returns in Japan were behind the MSCI Japan Small Cap index in the month. Positive contributors included Mitsubishi Logistics and gaming technology producer Sankyo, both of which reiterated their commitment to share repurchases. Diversified industrial IHI revealed ambitious plans to grow its presence in the promising area of satellite technology. Higher labour and technology costs dampened the outlook for confectionary producer Morinaga. Apparel retailer PAL Group came under technical selling pressure as a large shareholder reduced its stake in the business. Media company Toho suffered from concerns over tariffs on non-US films.

In aggregate, the Rest of World fund holdings underperformed the MSCI Asia ex-Japan Small Cap index during the month. The Utilico Emerging Markets investment trust outperformed the index. The Pinebridge Asia ex Japan Smaller Companies and Schroders Global Emerging Markets Smaller Companies funds as well as The Scottish Oriental Smaller Companies investment trust lagged the local benchmark.

Key risks

Values may fall as well as rise and investors may not get back the full amount invested. Income from investments may fluctuate. Changes in rates of exchange may have an adverse effect on the value, price or income of investments. Where investments are made in emerging markets, or smaller companies, their potential volatility may increase the risk to the value of, and the income from the investment. If markets fall, gearing can magnify the negative impact on performance.

Key facts as at 31.05.2025

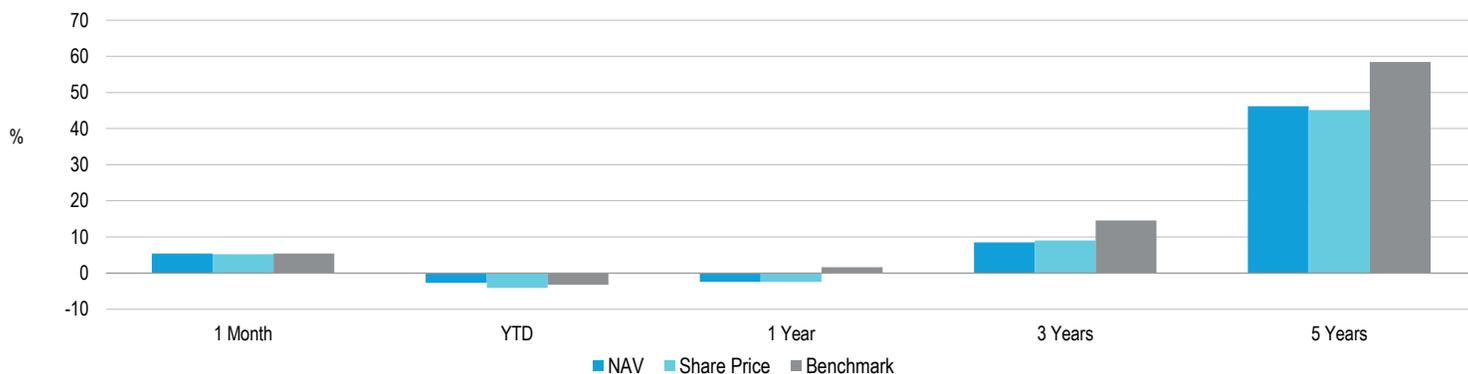
Trust aims: To secure a high total return by investing in smaller companies worldwide.

Trust highlights: One of the largest specialist global smaller companies investment trusts. Greater inherent growth potential in smaller companies. Strong dedicated small company investment team. The dividend has risen in each of the last 54 years.

Benchmark:	20% Numis UK Smaller Companies (ex investment companies) Index / 80% MSCI All Country World ex UK Small Cap Index net
Fund type:	Investment Trust
Launch date:	1889
Total assets:	£824.9 million
Share price:	156.40p
NAV (debt at market value):	176.28p
Discount/premium(-/+):	-11.28%
Dividend payment dates:	Aug, Jan
Net dividend yield*:	1.81%
Net gearing/Net cash**:	4.80%
Management fee rate***:	0.55%
Ongoing charges***:	0.61%
Year end:	30 April
Sector:	AIC sector Global Smaller Companies
Currency:	Sterling
Website:	globalsmallercompanies.co.uk

*** Ongoing charges is calculated excluding the cost suffered within underlying investment funds. Please refer to the latest annual report.

Fund performance as at 31.05.25



Cumulative performance as at 31.05.25 (%)

	1 Month	YTD	1 Year	3 Years	5 Years
NAV	5.46	-2.65	-2.39	8.47	46.23
Share price	5.25	-4.05	-2.38	9.07	45.14
Benchmark	5.41	-3.21	1.61	14.56	58.44

Discrete annual performance as at 31.05.25 (%)

	2025/24	2024/23	2023/22	2022/21	2021/20
NAV	-2.39	14.24	-2.73	-2.60	38.41
Share price	-2.38	17.93	-5.26	-7.08	43.21
Benchmark	1.61	16.13	-2.92	-3.18	42.85

Past performance is not a guide to future performance. Source: Lipper and Columbia Threadneedle Investments. Basis: Percentage growth, total return, bid to bid price with net income reinvested in sterling. The discrete annual performance table refers to 12 month periods, ending at the date shown.

Top ten equity holdings (excluding collective funds)

Holdings	Sector	% of net assets
Wheaton Precious Metals	Basic Materials	2.1
Curtiss Wright	Industrials	1.9
Kirby	Industrials	1.7
Brown & Brown	Financials	1.7
The Ensign Group	Healthcare	1.6
Encompass Health	Healthcare	1.6
WSP Global	Industrials	1.5
Boot Barn Holdings	Consumer Discretionary	1.5
Eagle Materials	Industrials	1.4
Martin Marietta Materials	Industrials	1.4

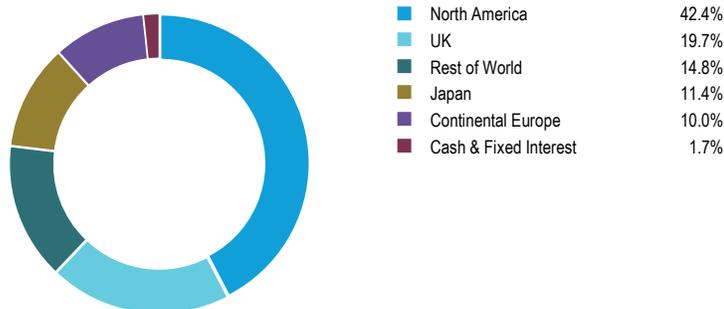
Collective fund holdings

Holdings	Sector	% of net assets
The Scottish Oriental Smaller Companies Trust	Collective investments	4.2
Schroder ISF Global Emerging Markets Smaller Companies Fund	Collective investments	3.9
Pinebridge Asia ex Japan Small Cap Fund	Collective investments	3.7
Utilico Emerging Markets Trust	Collective investments	2.9

Trust codes

Stock exchange code:	GSCT
Sedol:	BKLXD97
Legal Entity Identifier:	2138008RRULYQP8VP386

Geographical breakdown (%)



Net Dividend distributions pence per share

	2020	2021	2022	2023	2024	2025
January	0.55	0.55	0.57	0.63	0.68	0.70
August	1.15	1.20	1.27	1.67	2.13	
Total	1.70	1.75	1.84	2.30	2.81	0.70

Glossary

Bid price	Investment trust shares are sold via the stock exchange at the bid price. This price is determined by supply and demand.
Dividend	Income paid to shareholders by the company they invest in.
Net asset value	A key measure of the value of a company or trust – the total value of assets less liabilities, divided by the number of shares.



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All information is sourced from Columbia Threadneedle Investments, unless otherwise stated. Percentages in the top ten holdings table based on gross assets.

*The yield is calculated on an historic basis using the actual dividends paid during the company's last financial year and the closing share price as at the end of the relevant month. **Net gearing is total assets less cash and cash equivalents divided by shareholders' funds and expressed as a percentage. Net cash is net exposure to cash and cash equivalents expressed as a percentage of shareholders funds after any offset against gearing. Please refer to the latest annual report as to how the fee is structured. The share price may either be below (at a discount) or above (at a premium) the NAV. Discounts and premiums vary continuously. Performance information excludes any product charges which can be found in the Key Investor Document ("KID") for the relevant product.

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The Global Smaller Companies Trust PLC is an investment trust and its Ordinary Shares are traded on the main market of the London Stock Exchange.

English language copies of the key information document (KID) can be obtained from Columbia Threadneedle Investments, Cannon Place, 78 Cannon Street, London EC4N 6A. Email: inv.trusts@columbiathreadneedle.com or electronically at www.columbiathreadneedle.com. Please read before taking any investment decision.

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