abrdn UK Smaller Companies Fund

Retail Inc GBP

31 March 2024

Objective

To generate growth over the long term (5 years or more) by investing in UK small-capitalisation equities (company shares).

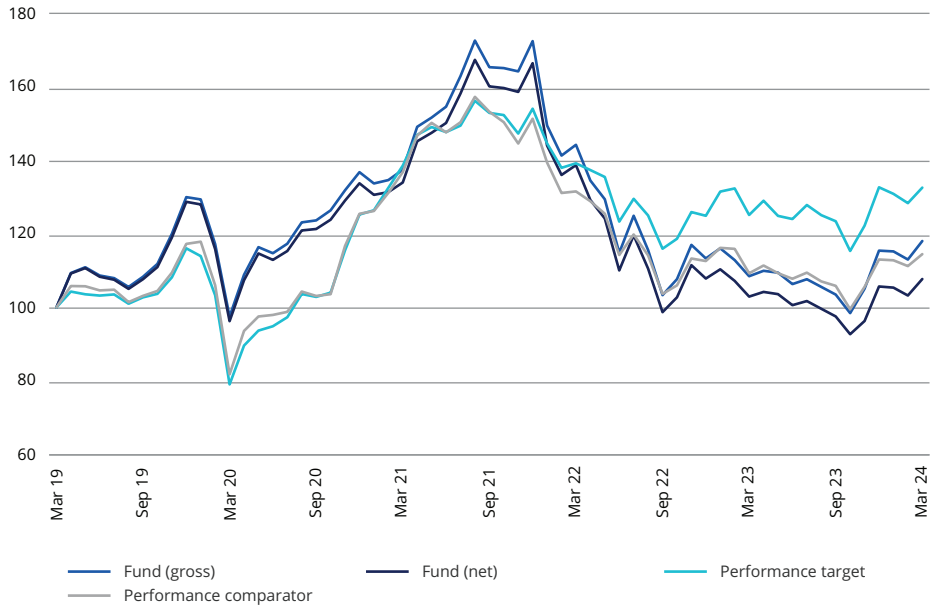
Performance Target: To achieve the return of the Numis Smaller Companies Plus AIM ex Investment Companies Index plus 3% per annum (before charges). There is no certainty or promise that they will achieve the Performance Target.

Performance Comparator: Investment Association UK Smaller Companies Equity Sector Average. The Numis Smaller Companies Plus AIM ex Investment Companies Index (the "Index") is a representative index of the UK stock market of smaller companies.

Portfolio securities

- The fund will invest at least 60% in equities of UK smaller companies.
- UK smaller companies are defined as any company of a similar size to those in the Index.
- The fund may also invest up to 40% in larger UK companies.
- The fund may also invest in other funds (including those managed by abrdn), cash and assets that can be turned into cash quickly.

Performance



Cumulative and annualised performance

	1 month	6 months	Year to date	1 year	3 years (p.a.)	5 years (p.a.)
Fund (gross) (%)	4.46	11.16	2.27	5.96	-5.85	2.71
Fund (net) (%)	4.36	10.46	1.92	4.66	-7.03	1.42
Performance target (%)	3.29	7.42	-0.07	5.95	-1.46	5.82
Performance comparator (%)	2.93	8.16	1.29	4.78	-5.77	2.75

Discrete annual returns - year to 31/3

	2024	2023	2022	2021	2020
Fund (gross) (%)	5.96	-24.93	4.89	41.07	-2.87
Fund (net) (%)	4.66	-25.88	3.58	39.29	-4.10
Performance target (%)	5.95	-10.11	0.46	75.46	-20.97
Performance comparator (%)	4.78	-16.96	-3.84	67.40	-18.22

Performance Data: Share Class Retail Inc GBP.
Benchmark history: Performance comparator - IA UK Smaller Companies Equity Sector Average
Source: abrdn (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.

Key facts

Fund manager(s)	**Abby Glennie & Amanda Yeaman**
Fund managers start date	**01 August 2019**
Fund launch date	**06 January 1997**
Share class launch date	**04 September 2015**
Authorised corporate director (ACD)	**abrdn Fund Managers Limited**
Fund size	**£1.0bn**
Number of holdings	**49**
Performance target	**Numis Smaller Companies Plus AIM ex Investment Companies +3.00%**
Performance comparator	**IA UK Smaller Companies Equity Sector Average**
Fund historic yield[1]	**3.02%**
Distribution frequency	**Annual**
Entry charge (up to)[2]	**4.00%**
Annual management charge	**1.35%**
Ongoing charge figure[3]	**1.35%**
Minimum initial investment	**GBP 500**
Fund type	**OEIC**
Valuation point	**12:00 (UK time)**
Base currency	**GBP**
Sedol	**BYQNBS5**
ISIN	**GB00BYQNBS53**
Bloomberg	**SLUKSRI LN**
Citicode	**MQUN**
Domicile	**United Kingdom**

Risk and reward profile

Lower risk
Typically lower rewards

Higher risk
Typically higher rewards

1 2 3 4 5 **6** 7

This indicator reflects the volatility of the fund's share price. See the relevant UCITS Key Investor Information Document (KIID) or PRIIPs Key Information Document (KID) for details

Key risks

(a) The value of investments and the income from them can fall and investors may get back less than the amount invested.
(b) 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.
(c) 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.

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Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and company level.
- Their primary focus is on company selection using the management team's quality, growth and momentum approach. It aims to identify companies that exhibit a range of high quality characteristics, have the ability to deliver sustainable long term growth and are displaying positive growth in their earnings.
- Due to the active nature of the Investment process, the fund's performance profile may deviate significantly from that of the Index.
- Please note: The fund's ability to buy and sell smaller companies and the associated costs can be affected during periods of market stress. In certain circumstances investors in the fund may not be able to sell their investment when they want to.

Top Ten Holdings

Hill & Smith PLC	4.7
4imprint Group PLC	4.6
Ashtead Technology Holdings plc	4.2
Cranswick PLC	3.9
Hollywood Bowl Group PLC	3.7
Hilton Food Group PLC	3.7
JTC PLC	3.7
Paragon Banking Group PLC	3.7
Bytes Technology Group PLC	3.6
Sirius Real Estate Ltd	2.9
Assets in top ten holdings	**38.7**

Source : abrdn 31/03/2024

Figures may not always sum to 100 due to rounding.

Sector (%)

Industrials	27.4
Financials	19.0
Communication Services	11.3
Consumer Staples	8.6
Consumer Discretionary	8.4
Materials	5.7
Information Technology	5.2
Health Care	3.1
Other	7.2
Cash	3.9

(d) 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.

(e) 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.

Risk stats

Alpha^	**-1.30**
Benchmark Volatility (SD)^	**14.95**
Beta^	**1.17**
Fund Volatility (SD)^	**19.49**
Information Ratio^	**-0.27**
R-Squared^	**0.80**
Sharpe Ratio^	**-0.45**
Tracking Error^	**8.98**

Source : abrdn. ^ Three year annualised.

Derivative usage

- Derivatives are linked to the value of other assets. In other words, they derive their price from one or more underlying asset.
- 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 equities.

To help you understand this fund and for a full explanation of risks and the overall risk profile of this fund and the shareclasses within it, please refer to the Key Investor Information Documents and Prospectus which are available on our website www.abrdn.com The Prospectus also contains a glossary of key terms used in this document.

[1]The Historic Yield as at 29/02/2024 reflects distributions declared over the past twelve months as a percentage of the mid-market share price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions.

[2]These are the maximum charges that we might take out of your money before it is invested. In some cases, the charges may be less and you should speak to your financial advisor about this.

[3]The Ongoing Charge Figure (OCF), is the overall cost shown as a percentage of the value of the assets of the fund. It is made up of the Annual Management Charge (AMC) of 1.35% and other charges. It does not include any initial charges or the cost of buying and selling stocks for the fund. The Ongoing Charges figure can help you compare the annual operating expenses of different funds.

The fund is a sub-fund of abrdn OEIC II, an authorised open-ended investment company (OEIC).
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