



The Scottish Oriental Smaller Companies Trust plc

Client Update

31 October 2022

Investment Objective

To achieve long-term capital growth by investing mainly in smaller Asian quoted companies with market capitalisations under US\$5,000m at the time of investment, or the equivalent. For investment purposes, the investment region includes Australasia, China, Hong Kong, India, Indonesia, Japan, Malaysia, Pakistan, Philippines, Singapore, South Korea, Sri Lanka, Taiwan, Thailand and Vietnam. Countries in other parts of Asia may be considered with approval of the Board.

Investment Review

Key contributors included Vitasoy, which issued a positive profit alert due to the rebound in China. Mitra Adiperkasa continued its momentum, spurred by broader reopening, while most of its business segments' sales have recovered above 2019 levels. Uni-President China detracted from performance, as higher raw material prices have pressured margins and earnings. Hisense declined due to concerns about the slowdown in the residential property sector in China, to which its air-conditioning business is exposed.

Top 10 holdings

Stock name	% of net assets
Mitra Adiperkasa	5.5
Colgate-Palmolive India	5.5
Selamat Sempurna	4.9
Uni-President China	4.1
Godrej Industries	3.6
Mahindra CIE Automotive	3.6
Poya International	3.4
Philippine Seven	3.3
Blue Star	3.2
Mahanagar Gas	3.0
Total	40.1

Fund Information

Fund

Launch Date	29 March 1995
NAV per share (p)	1,284.9
Share price (p)	1,115.0
Discount (%)	13.2%
Shares in issue	24,696,519
Net assets (£m)	317.3
Market capitalisation £m	275.4
Debt (£m)*	30.0
SEDOL	0783613
ISIN	GB0007836132
Bloomberg Ticker	SST.LN
Annual Management Fee	0.75%
Ongoing Charges*	1.01%
Performance Fee ¹	See Below
Dividends	Annual; last paid January 2022

Directors

Jeremy Whitley (Chairman), Andrew Baird, Michelle Paisley, Anne West.

Investment Manager

Vinay Agarwal is the lead manager of the Scottish Oriental Smaller Companies investment trust, and a Director of FSSA Investment Managers. Based in Singapore, Vinay joined FSSA in July 2011 and has more than 15 years of investment management experience.

The performance fee is 10% of that portion of the NAV outperformance over the MSCI All Country Asia ex Japan Index, which exceeds a 10% hurdle, measured over a rolling three year period. See Annual Report for more details.

FSSA Investment Managers is a trading name of First Sentier Investors (UK) IM Limited, First Sentier Investors International IM Limited and First Sentier Investors (UK) Funds Limited. Note: Numbers may not sum due to rounding.

¹ Calculated at the financial year end, including management fees and all other operating expenses but excluding transaction, and certain other, costs. Please refer to the Key Information Document for full costs and charges information. * On 24 March 2021, the Trust issued £30 million of long-term, fixed rate, senior, unsecured privately placed notes providing the Trust with long-term financing. The notes have a fixed coupon of 2.75% and are to be repaid on 24 March 2041.

Annual Performance

Time Period	1 yr to October 22	1 yr to October 21	1 yr to October 20	1 yr to October 19	1 yr to October 18
NAV %*	0.3	25.5	-6.6	9.4	-11.6
Asia Index** %	-21.1	6.7	16.3	12.1	-10.0
Small Cap Index*** %	-13.7	34.8	9.9	6.8	-14.8
Share price %	-0.6	29.9	-10.7	14.0	-14.3

* Total return. **MSCI AC Asia (ex Japan) Index *** MSCI AC Asia (ex Japan) Small Cap Index

Cumulative Performance

Time Period	3 months	6 months	1 year	3 years	5 years	10 years
NAV %*	4.6	1.2	0.3	17.6	13.8	106.8
Asia Index** %	-13.4	-15.1	-21.1	-2.1	-1.2	82.7
Small Cap Index*** %	-7.0	-12.3	-13.7	27.9	16.4	99.5
Share price %	0.5	-3.3	-0.6	15.3	12.6	85.3

* Total return. **MSCI AC Asia (ex Japan) Index *** MSCI AC Asia (ex Japan) Small Cap Index

These figures refer to the past. Past performance is not a reliable indicator of future results. All performance data is as at 31 October 2022. The performance comparative indices shown are the MSCI AC Asia (ex Japan) Index and MSCI AC Asia (ex Japan) Small Cap Index, on an income reinvested gross of tax basis. Sources: i) Trust Manager for Trust performance; ii) Lipper for index performance.

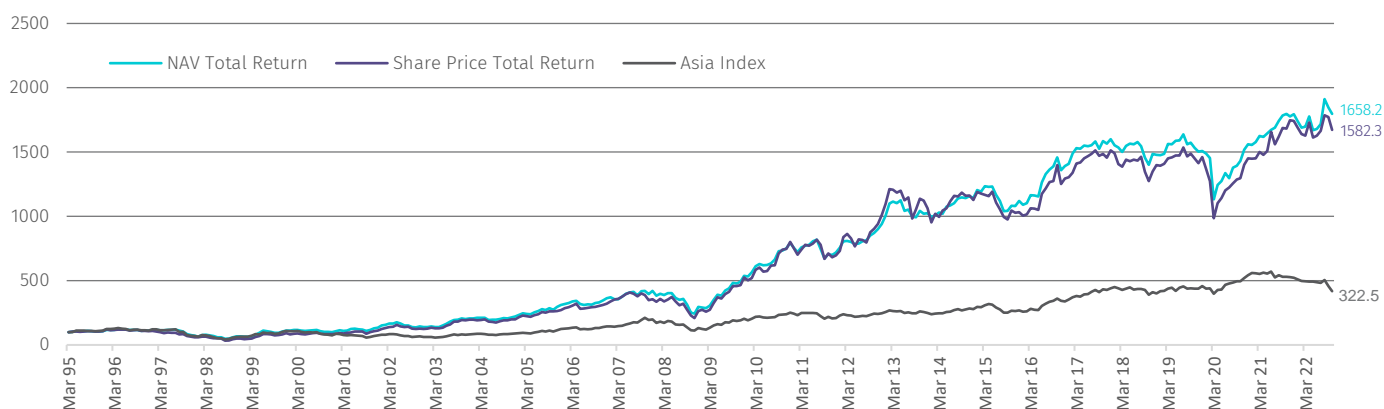
Sector Weightings

Sector name	% of total assets
Consumer Discretionary	31.4
Consumer Staples	29.2
Materials	13.8
Financials	10.0
Industrials	9.2
Information Technology	5.6
Real Estate	3.7
Healthcare	3.5
Utilities	3.0
Communication Services	0.0
Energy	0.0
Gearing	-9.5
Cash	-0.1

Country Weightings

Country	Trust (%)	Asia Index (%)	Small cap index (%)
China	12.6	31.8	8.8
Hong Kong	6.5	6.9	5.1
Taiwan	9.2	15.9	21.9
	28.3	54.6	35.8
Australia	0.0	0.0	0.0
Bangladesh	1.2	0.0	0.0
India	40.1	19.1	30.1
Indonesia	23.7	2.7	3.2
Malaysia	0.0	1.9	3.4
Pakistan	0.8	0.0	0.0
Philippines	8.6	0.9	1.1
Singapore	3.0	4.1	6.5
Sri Lanka	0.0	0.0	0.0
South Korea	1.2	14.1	15.2
Thailand	1.0	2.6	4.6
Vietnam	1.7	0.0	0.0
Gearing	-9.5	0.0	0.0
Cash	-0.1	0.0	0.0
Total	100.0	100.0	100.0

Cumulative Performance Chart



Note: Figures shown indicate cumulative percentage return since 28 March 1995.

What are the risks?

Risk Indicator+

1 2 3 4 5 6 7
Lower risk Higher risk

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets. This product does not include any protection from future market performance so you could lose some or all of your investment. The Trust has been classified as level 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact the amount you get back. The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. Investing includes certain risks including:

- **The value of investments and any income from them may go down as well as up and are not guaranteed. Investors may get back significantly less than the original amount invested.**
- **Emerging Markets:** May not provide the same level of investor protection as a developed market; they may involve a higher risk than investing in developed markets.
- **Currency:** The Trust invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Trust.
- **Smaller Companies:** The Trust typically invests in smaller company shares which can be more unpredictable and more difficult to sell than those of larger company shares.
- **Leverage:** The Trust may be leveraged due to: i) borrowings; or ii) the use of derivatives to hedge currency exposure. The amount of leverage employed is disclosed on the Trust's website from time to time. Higher leverage increases the potential risk of loss.
- Investment trust share prices may not fully reflect NAV.

†For an overview of the terms of investment, risks, returns and costs and charges please refer to the Key Information Document from which the risk indicator is taken and the Trust's Investor Disclosure Statement. If you are in any doubt as to the suitability of the Trust for your investment needs please seek investment advice.

How to contact us

Client Services team: **0131 538 6610** | E-mail: **ScottishOriental@firstsentier.com** | Website: **www.scottishoriental.com**

Important Information

This factsheet is a financial promotion.

The Scottish Oriental Smaller Companies Trust ("Scottish Oriental") is an investment trust, incorporated in Scotland with registered number SC156108, whose shares have been admitted to the Official List of the London Stock Exchange plc. Scottish Oriental's investment manager is First Sentier Investors (UK) IM Limited ("First Sentier Investors").

This document has been prepared for the use of those people who are United Kingdom residents for tax and investment purposes. References to "we" or "us" are references to First Sentier Investors (UK) Funds Limited.

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