



# Interim Report 2025



**The Scottish Oriental**  
Smaller Companies Trust plc

## Comparative Indices

Since 1 September 2021 the Directors have used the Morgan Stanley Capital International AC Asia ex Japan Small Cap Index as its primary comparator. This Index is made up of companies with a free float-adjusted market capitalisation of between US\$48m and US\$5,641m. The range does not exactly match that of the Company, which has no lower limit and which invests mainly in companies with a market capitalisation of under US\$5,000m at the time of first investment. Nevertheless, it gives a useful indication of the performance of smaller listed companies in Asia over recent years.

For comparison purposes, we are also displaying the Morgan Stanley Capital International AC Asia ex Japan Index to measure the Company's performance, which covers the relevant markets with the exception of Australia, New Zealand and Vietnam. This Index, being dominated by larger companies, is far from ideal as a performance measurement tool. It has, however, the dual merit of being the most widely recognised regional index and of pre-dating the inception of the Company in March 1995.

As most investors in the Company are based in the United Kingdom, the Directors consider that it is also relevant to compare the Company's performance to that of the FTSE All-Share Index.

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\* Inside front cover

# Objective

The investment objective of The Scottish Oriental Smaller Companies Trust plc (“Scottish Oriental”, “the Company” or “the Trust”) is to achieve long-term capital growth by investing in mainly smaller Asian quoted companies with market capitalisations of below US\$5,000m, or the equivalent thereof, at the time of investment. For investment purposes, this includes Australasia, the Indian sub-continent and Japan.

This is an abridged version of Scottish Oriental’s investment policy and objective. A full statement of Scottish Oriental’s investment policy can be found on page 24 of the Annual Report and Accounts\* for the year ending 31 August 2024 (“the Annual Report and Accounts”).

\* The Company’s Annual Report and Accounts for the year ending 31 August 2024 can be found on the Company’s website at [www.scottishoriental.com](http://www.scottishoriental.com)

## Share Split

To assist monthly savers and those who reinvest their dividends or look to invest smaller amounts, following shareholder approval at the Annual General Meeting in January 2025, the Company’s Ordinary shares were split on a 5 for 1 basis on 28 February 2025. This should improve the liquidity in and marketability of the Company’s shares, which will benefit all shareholders.

Each Ordinary share of 25 pence each (the “Existing Ordinary shares”) was subdivided into five new Ordinary shares of 5 pence each in the capital of the Company (the “New Ordinary shares”). A holding of the New Ordinary shares following the Share Split represents the same proportion of the issued ordinary share capital of the Company as the corresponding holding of Existing Ordinary shares immediately prior to the Share Split. The New Ordinary shares rank pari passu with each other and carry the same rights and are subject to the same restrictions as the Existing Ordinary shares, including the same rights to participate in dividends paid by the Company.

## Investment Management Team

Sreevardhan Agarwal assumed responsibility as Lead Manager of Scottish Oriental from 28 November 2024. Sree acted as the Company’s Deputy Manager and, latterly, Co-Manager for 5 years and played an increasingly important role in managing the portfolio over this period. Sree is supported by Martin Lau, Managing Partner of FSSA Investment Managers (“FSSA”), and the wider resources of FSSA.

This appointment followed the Board being informed by FSSA that Vinay Agarwal, the Lead Manager for the Company, left FSSA by mutual agreement. The Board is grateful to Vinay for his contribution to the success of the Company and wishes him the very best in his future endeavours.

# Financial Highlights

## Total Return Performance (unaudited) for the six months to 28 February 2025

Net Asset Value per share	(1.2)%	MSCI AC Asia ex Japan Small Cap Index (£)	(5.6)%
Share price	0.1%	MSCI AC Asia ex Japan Index (£)	6.7%
		FTSE All-Share Index (£)	5.2%

## Summary Data (unaudited) at 28 February 2025

Shares in Issue	116,123,330	Shareholders' Funds	£388.86m
Net Asset Value per share	334.86p	Market Capitalisation	£336.76m
Share price	290.00p	Share Price Discount to Net Asset Value	13.4%

# Interim Management Report

## Investment Performance

Over the six months ending 28 February 2025, Scottish Oriental's net asset value ("NAV") per share decreased by 1.2 per cent in total return terms, while the MSCI AC Asia ex Japan Small Cap Index decreased by 5.6 per cent on the same basis. The Company's share price increased by 0.1 per cent in total return terms.

The strong performance of the Company on a relative basis was partly due to a shift in allocation from India to China over the last twelve months as well as stock selection. The Company's exposure to India reduced from 43.1 per cent at the end of February 2024 to 27.1 per cent at the end of the reporting period. The exposure to China and Hong Kong increased from 18.5 per cent at the end of February 2024 to 28.3 per cent at the end of the reporting period. In addition, specific stock selection in both countries contributed positively to the Company's performance.

## Dividend

A final dividend of 14.0p and a special dividend of 8.0p, were paid on 7 February 2025 for the year ended 31 August 2024 (31 August 2023: 13.0p per share).

## Review

During the same period last year, Asian stock markets, with the exception of China, had performed strongly. The current period reversed this trend of performance, with most major stock markets in Asia recording declines, with the exception of China and Hong Kong. The key reason for the strong performance of China and Hong Kong was the government's focus on strengthening the economic recovery by supporting consumer demand, which has been slow since the pandemic. This stance led to a re-rating of valuations in China, which had suffered in recent years from the poor economic sentiment. In contrast, markets including India, Taiwan, Indonesia and Philippines were negatively impacted by the economic and geo-political uncertainty after the new government was elected in the United States of America.

Eight new holdings were purchased during the period. We continued to add to our holdings in China, with relatively cheap valuations leading to some attractive opportunities on a bottom-up basis. These include Haitian International and Stella Holdings, both of which are leading manufacturing businesses. **Haitian International** is the largest plastic injection moulding machine manufacturer in China. **Stella Holdings** is a manufacturer of shoes for leading global brands ranging from Nike to the luxury conglomerate Louis Vuitton Moët Hennessy. In India, we purchased holdings in **Niva Bupa Health Insurance** and **Godrej Agrovot**. Niva Bupa is a leading health insurance company in India, 63% owned by Bupa. It has been gaining market share consistently in the under-penetrated health insurance segment, which has

the potential to grow rapidly in the years ahead. Godrej Agrovot is a diversified agricultural business. The business has witnessed several changes in recent years to simplify its operations and improve its return on capital employed. In ASEAN, we purchased holdings in **Unilever Indonesia** and **GT Capital**. Unilever has been the market leader in the Indonesian fast moving consumer goods ("FMCG") industry for several decades. In recent years, the business has suffered due to an increase in competitive intensity. The company is taking several steps to fix these issues and improve its growth prospects. GT Capital is a holding company which owns a majority stake in Toyota Motor Philippines, a significant stake in Metropolitan Bank, as well as operations in insurance, real estate and infrastructure. Several of these businesses enjoy strong market positions and should benefit from steady growth. In Taiwan, we purchased a holding in **Sporton International**, a leading testing company focused on the mobile smartphone and electronics industries. We also purchased a holding in **Guzman Y Gomez**, the leading Mexican focused quick service restaurant operator in Australia. The company has received a strong customer response to its offering of fast-food without added preservatives, additives and colours. It has the potential to be significantly larger than its current size.

We disposed of three holdings during the period. **Mphasis** was sold after its valuations increased to expensive levels. **Astra Otoparts** and **Tokai Carbon Korea** were sold as both companies were facing industry headwinds which are unlikely to subside over the medium-term. These disposals were also aimed at consolidating the portfolio among higher conviction holdings.

## Outlook

Subsequent to the reporting period, economic uncertainty has increased following the actions of the newly elected government in the United States of America. We don't pretend to know the end-result of the significant disruption to global trade and are not trying to predict such outcomes either. However, it is in times such as this that the conservative approach with which Scottish Oriental's portfolio is managed comes to the fore. We believe our holdings in market-leading businesses are likely to remain resilient through this period. Our confidence in the portfolio's outcomes is based on the following:

- The vast majority of holdings in the portfolio comprise domestically focused businesses. Due to their domestic focus, these companies tend to be minimally impacted by global trade issues. The small number of exporters we own in the portfolio have strong competitive advantages. While a period of disruption might impact their business over the near-term, they are likely to emerge as long-term winners.

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# Interim Management Report cont'd

- The balance sheets of almost all holdings are net cash. This provides them with a significant opportunity to invest counter-cyclically or use mergers & acquisitions as opportunities arise to gain market share as many of their smaller peers may struggle to survive.
- The owners and managers of the portfolio companies have witnessed several such periods of disruption, most recently during the pandemic. They have established track records of navigating such periods of uncertainty well.
- The long-term outlook is for attractive growth, led by rising incomes among a broad range of Asian economies, and this remains unchanged.

As we look back at the history of Scottish Oriental, we are reminded that the Company was established 30 years ago amidst a similar period of uncertainty. The Company's first Annual Report spoke about the impact of the Mexican Peso crisis and its impact on the business environment across emerging markets. A few years later, we faced the Asian Financial Crisis and the bursting of the global technology bubble. Our investment philosophy has held the Company in good stead through these times. We are confident that this will hold true in the future as well.

## **Sreevardhan Agarwal**

FSSA Investment Managers

30 April 2025

# List of Quoted Equity Investments

as at 28 February 2025

	% of Shareholders' Funds		% of Shareholders' Funds		% of Shareholders' Funds
<b>Australia (0.2%)</b>		<b>India (27.1%)</b>		<b>Indonesia (10.9%)</b>	
<b>Consumer Staples (0.2%)</b>		<b>Consumer Discretionary (1.5%)</b>		<b>Consumer Discretionary (5.6%)</b>	
Guzman Y Gomez	0.2%	Crompton Greaves Consumer Electricals	0.6%	Mitra Adiperkasa	1.7%
<b>China (26.2%)</b>		Honasa Consumer	0.3%	Sarimelati Kencana	0.4%
<b>Consumer Discretionary (11.2%)</b>		Whirlpool of India	0.6%	Selamat Sempurna	3.5%
DPC Dash	9.0%	<b>Consumer Staples (6.6%)</b>		<b>Consumer Staples (2.4%)</b>	
JNBY Design	2.2%	Colgate-Palmolive (India)	3.8%	Hero Supermarket	0.6%
<b>Consumer Staples (7.2%)</b>		Radico Khaitan	1.6%	Uni-Charm Indonesia	1.2%
Uni-President China	7.2%	United Breweries	1.2%	Unilever Indonesia	0.6%
<b>Industrials (1.9%)</b>		<b>Financials (3.4%)</b>		<b>Financials (1.9%)</b>	
Hongfa Technology	1.2%	Computer Age Management	1.9%	Bank OCBC Nisp	1.9%
Stella Holdings	0.7%	Mahindra & Mahindra Financial Services	1.5%	<b>Materials (1.0%)</b>	
<b>Materials (1.6%)</b>		<b>Healthcare (3.8%)</b>		Avia Avian	1.0%
Sinoseal Holding	1.6%	Metropolis Healthcare	1.2%	<b>New Zealand (2.0%)</b>	
<b>Technology (4.3%)</b>		Niva Bupa Health Insurance	1.4%	<b>Logistics (2.0%)</b>	
Cloud Music	4.3%	Solara Active Pharma	1.2%	Mainfreight	2.0%
<b>Hong Kong (2.1%)</b>		<b>Industrials (2.7%)</b>		<b>Philippines (10.9%)</b>	
<b>Consumer Discretionary (0.6%)</b>		Blue Star	0.4%	<b>Consumer Discretionary (0.5%)</b>	
Fairwood Holdings	0.6%	Escorts Kubota	1.0%	Max's Group	0.5%
<b>Consumer Staples (1.0%)</b>		Godrej Agrovet	1.3%	<b>Consumer Staples (8.5%)</b>	
Nissin Foods	1.0%	<b>Materials (6.2%)</b>		Century Pacific Food	4.7%
<b>Industrials (0.5%)</b>		Godrej Industries	3.0%	Philippine Seven	3.8%
Haitian International	0.5%	Kansai Nerolac Paints	2.4%	<b>Financials (1.0%)</b>	
		RHS Magnesita India	0.8%	GT Capital	1.0%
		<b>Real Estate (1.5%)</b>		<b>Industrials (0.9%)</b>	
		Oberoi Realty	1.5%	Concepcion Industrial	0.9%
		<b>Utilities (1.4%)</b>			
		Mahanagar Gas	1.4%		

# List of Quoted Equity Investments cont'd

	% of Shareholders' Funds		% of Shareholders' Funds
<b>Singapore (2.1%)</b>		<b>Vietnam (2.3%)</b>	
<b>Consumer Staples (0.8%)</b>		<b>Technology (2.3%)</b>	
Haw Par	0.8%	FPT	2.3%
<b>Financials (1.3%)</b>			
Credit Burea Asia	1.3%		
<b>South Korea (1.7%)</b>			
<b>Consumer Discretionary (1.7%)</b>			
Fila Holdings	1.7%		
<b>Taiwan (12.1%)</b>			
<b>Consumer Discretionary (2.6%)</b>			
Poya International	2.6%		
<b>Industrials (3.5%)</b>			
Airtac International	2.7%		
Sporton International	0.8%		
<b>Technology (6.0%)</b>			
Parade Technologies	1.9%		
Silergy	1.8%		
Sinbon Electronics	2.3%		



# Ten Largest Equity Holdings

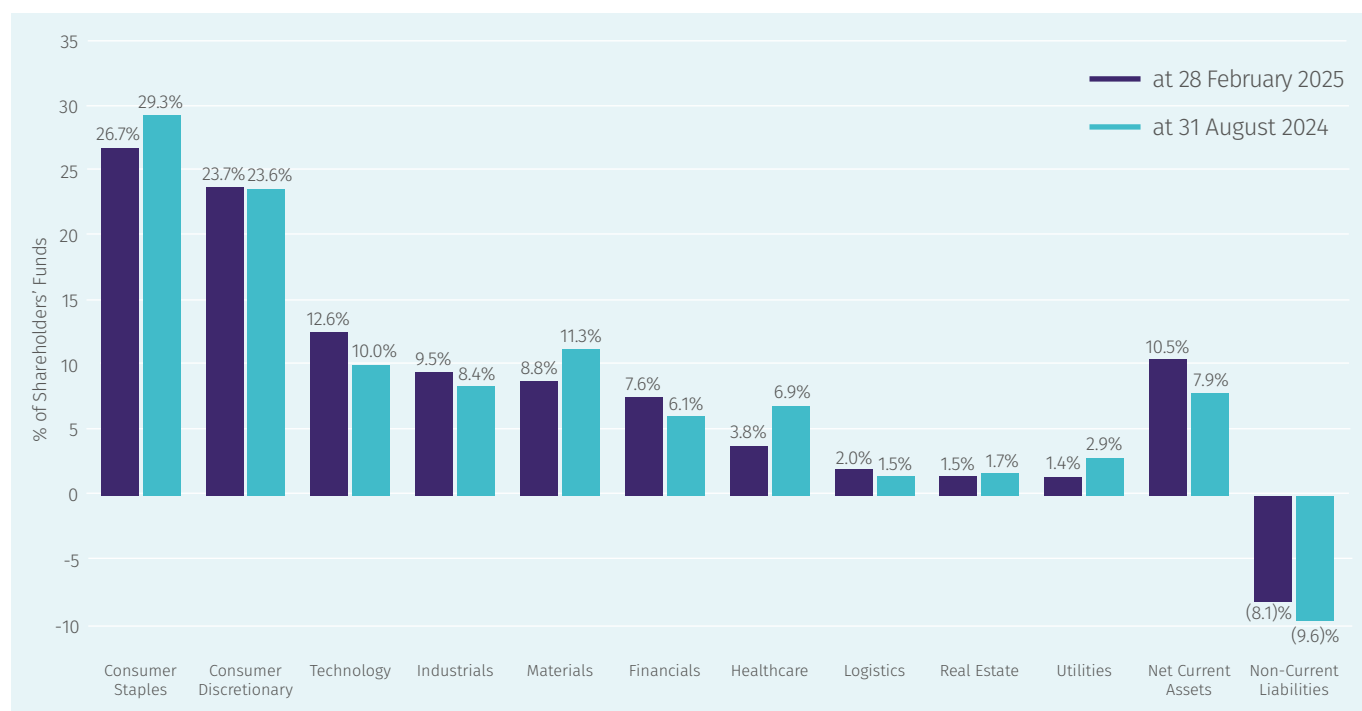
as at 28 February 2025

Company	Country	Sector	Market Valuation £'000	% of Shareholders' Funds
DPC Dash	China	Consumer Discretionary	34,972	9.0
Uni-President China	China	Consumer Staples	28,010	7.2
Century Pacific Food	Philippines	Consumer Staples	17,981	4.7
Cloud Music	China	Technology	16,873	4.3
Philippine Seven	Philippines	Consumer Staples	14,819	3.8
Colgate-Palmolive (India)	India	Consumer Staples	14,795	3.8
Selamat Sempurna	Indonesia	Consumer Discretionary	13,700	3.5
Godrej Industries	India	Materials	11,708	3.0
Airtac International	Taiwan	Industrials	10,501	2.7
Poya International	Taiwan	Consumer Discretionary	10,205	2.6
<b>Total</b>			<b>173,564</b>	<b>44.6</b>

## Sector Allocation

(% of Shareholders' Funds)

as at 28 February 2025



# Income Statement

	Six months to 28 February 2025 (unaudited)			Six months to 29 February 2024 (unaudited)		
	Revenue	Capital	Total*	Revenue	Capital	Total*
	£000	£000	£000	£000	£000	£000
(Losses)/gains on investments	–	(7,923)	(7,923)	–	29,007	29,007
Income from investments	2,807	–	2,807	2,930	–	2,930
Other income	78	–	78	46	–	46
Investment management fee	(1,461)	–	(1,461)	(1,346)	–	(1,346)
Currency losses	–	(25)	(25)	–	(72)	(72)
Other administrative expenses	(477)	–	(477)	(395)	–	(395)
<b>Net return on ordinary activities before finance costs and taxation</b>	<b>947</b>	<b>(7,948)</b>	<b>(7,001)</b>	1,235	28,935	30,170
Finance costs	(416)	–	(416)	(406)	–	(406)
<b>Net return on ordinary activities before taxation</b>	<b>531</b>	<b>(7,948)</b>	<b>(7,417)</b>	829	28,935	29,764
Tax on ordinary activities (note 3)	(265)	3,813	3,548	(254)	(4,412)	(4,666)
<b>Net return attributable to equity shareholders</b>	<b>266</b>	<b>(4,135)</b>	<b>(3,869)</b>	575	24,523	25,098
Net return per ordinary share	0.23p <sup>†</sup>	(3.52)p <sup>†</sup>	(3.29)p <sup>†</sup>	0.48p <sup>†</sup>	20.30p <sup>†</sup>	20.78p <sup>†</sup>

\* The total column of this statement is the Profit & Loss Account of the Company. The revenue and capital columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies. There are no items of other comprehensive income. This statement is, therefore, the single statement of comprehensive income of the Company.

All revenue and capital items derive from continuing operations.

<sup>†</sup> Adjusted for the five for one share split of the Ordinary shares on 28 February 2025.

# Statement of Financial Position

	At 28 February 2025 (unaudited) £000	At 31 August 2024 (audited) £000
FIXED ASSET EQUITY INVESTMENTS		
Australia	886	–
China	101,939	77,895
Hong Kong	8,150	7,828
India	105,088	164,682
Indonesia	42,703	47,669
New Zealand	7,859	6,174
Philippines	42,229	41,872
Singapore	8,147	6,096
South Korea	6,597	11,663
Taiwan	47,161	36,560
Vietnam	8,873	9,319
<b>Total Equities</b>	<b>379,632</b>	409,758
<b>Net Current Assets</b>	<b>40,892</b>	31,858
<b>Non-Current Liabilities (note 3)</b>	<b>(31,669)</b>	(38,548)
<b>Total Assets less Liabilities</b>	<b>388,855</b>	403,068
CAPITAL AND RESERVES		
Ordinary share capital	7,853	7,853
Share premium account	34,259	34,259
Capital redemption reserve	58	58
Capital reserves	340,306	349,645
Revenue reserve	6,379	11,253
<b>Equity Shareholders' Funds</b>	<b>388,855</b>	403,068
<b>Net asset value per share</b>	<b>334.86p</b>	341.91p <sup>†</sup>

<sup>†</sup> Adjusted for the five for one share split of the Ordinary shares on 28 February 2025.

# Cash Flow Statement

	Note	Six months to 28 February 2025 (unaudited) £000	Six months to 29 February 2024 (unaudited) £000
<b>Net cash outflow from operations before dividends, interest, purchases and sales of investments</b>	9	<b>(2,091)</b>	(4,074)
Dividends received from investments		<b>3,069</b>	3,340
Interest received from deposits		<b>78</b>	46
Cash inflow/(outflow) from operations		<b>1,056</b>	(688)
Taxation		<b>(252)</b>	(241)
<b>Net cash inflow/(outflow) from operating activities</b>		<b>804</b>	(929)
<b>Investing activities</b>			
Purchases of investments		<b>(65,329)</b>	(57,665)
Sales of investments		<b>81,401</b>	70,661
Capital gains tax paid on the sale of investments		<b>(3,069)</b>	(2,359)
<b>Net cash inflow from investing activities</b>		<b>13,003</b>	10,637
<b>Financing activities</b>			
Equity dividend(s) paid		<b>(5,140)</b>	(3,138)
Buyback of ordinary shares		<b>(5,213)</b>	(5,159)
Interest paid		<b>(425)</b>	(415)
<b>Net cash outflow from financing activities</b>		<b>(10,778)</b>	(8,712)
Increase in cash and cash equivalents		<b>3,029</b>	996
Cash and cash equivalents at the start of the period		<b>37,972</b>	18,089
Effect of currency losses		<b>(25)</b>	(72)
<b>Cash and cash equivalents at the end of the period*</b>		<b>40,976</b>	19,013

\* Cash and cash equivalents represents cash at bank.

# Statement of Changes in Equity

for the six months ended 28 February 2025

	Share Capital	Share Premium Account	Capital Redemption Reserve	Capital Reserves	Revenue Reserve	Total
	£000	£000	£000	£000	£000	£000
Balance at 31 August 2024	7,853	34,259	58	349,645	11,253	403,068
<b>Total comprehensive income:</b>						
Return for the period	–	–	–	(4,135)	266	(3,869)
<b>Transactions with owners recognised directly in equity:</b>						
Dividends paid in the period	–	–	–	–	(5,140)	(5,140)
Buyback of Ordinary shares	–	–	–	(5,204)	–	(5,204)
<b>Balance at 28 February 2025</b>	<b>7,853</b>	<b>34,259</b>	<b>58</b>	<b>340,306</b>	<b>6,379</b>	<b>388,855</b>

for the six months ended 29 February 2024

	Share Capital	Share Premium Account	Capital Redemption Reserve	Capital Reserves	Revenue Reserve	Total
	£000	£000	£000	£000	£000	£000
Balance at 31 August 2023	7,853	34,259	58	304,661	7,746	354,577
<b>Total comprehensive income:</b>						
Return for the period	–	–	–	24,523	575	25,098
<b>Transactions with owners recognised directly in equity:</b>						
Dividend paid in the period	–	–	–	–	(3,138)	(3,138)
Buyback of Ordinary shares	–	–	–	(5,198)	–	(5,198)
<b>Balance at 29 February 2024</b>	<b>7,853</b>	<b>34,259</b>	<b>58</b>	<b>323,986</b>	<b>5,183</b>	<b>371,339</b>

# Changes in Equity Investments

	Valuation at 31 August 2024	Purchases	Sales	Appreciation/ (depreciation)	Valuation at 28 February 2025
	£000	£000	£000	£000	£000
Australia	–	1,068	–	(182)	886
China	77,895	6,992	(20,141)	37,193	101,939
Hong Kong	7,828	6,071	(2,926)	(2,823)	8,150
India	164,682	16,605	(48,662)	(27,537)	105,088
Indonesia	47,669	8,855	(2,184)	(11,637)	42,703
New Zealand	6,174	2,529	–	(844)	7,859
Philippines	41,872	5,354	(1,569)	(3,428)	42,229
Singapore	6,096	–	–	2,051	8,147
South Korea	11,663	3,261	(5,997)	(2,330)	6,597
Taiwan	36,560	9,524	–	1,077	47,161
Vietnam	9,319	–	(983)	537	8,873
	<b>409,758</b>	<b>60,259</b>	<b>(82,462)</b>	<b>(7,923)</b>	<b>379,632</b>

# Notes to Accounts

- 1** The condensed Financial Statements for the six months to 28 February 2025 comprise the Income Statement, Statement of Financial Position, Cash Flow Statement and Statement of Changes in Equity, together with the notes set out below. They have been prepared in accordance with FRS 104 'Interim Financial Reporting', UK Generally Accepted Accounting Principles ("UK GAAP") and the AIC's Statement of Recommended Practice issued in July 2022.
- 2** The position as at 31 August 2024 on page 9 is an abridged version of that contained in the Annual Report and Accounts, which received an unqualified audit report and which have been filed with the Registrar of Companies. This Interim Report has been prepared under the same accounting policies adopted for the year to 31 August 2024.
- 3** The Company has incurred £3,069,000 of capital gains tax on the sale of investments in the six months to 28 February 2025 (six months to 29 February 2024: £2,359,000).  
The Company has recognised a deferred tax liability of £1,824,000 (31 August 2024: £8,706,000) on capital gains which may arise if Indian investments are sold.
- 4** The return per Ordinary share figure is based on the net loss for the six months to 28 February 2025 of £3,869,000 (six months to 29 February 2024: net profit of £25,098,000) and on 117,494,515 (six months to 29 February 2024: 120,740,520) Ordinary shares, being the weighted average number of Ordinary shares in issue during the respective periods adjusted for the share split on 28 February 2025.
- 5** At 28 February 2025 there were 116,123,330 Ordinary shares in issue and 40,944,985 Ordinary shares held in Treasury (31 August 2024: 117,888,830 in issue and 39,179,485 held in Treasury, adjusted for the share split). During the six months to 28 February 2025, the Company bought back the equivalent of 1,765,500 new Ordinary shares (year to 31 August 2024; the Company bought back the equivalent of 3,910,425 new Ordinary shares).
- 6** Amounts recognised as distributions in the period (pre share split):

	At 28 February 2025 £000	At 29 February 2024 £000
Final dividend of 14.0p (2024 – 13.0p)	3,271	3,138
Special dividend of 8.0p (2024 – nil)	1,869	–
	<b>5,140</b>	3,138

- 7** Under the terms of the Investment Management Agreement, an annual performance fee may be payable to the Investment Manager at the end of the year. The total fee payable to the Investment Manager is capped at 1.5% per annum of the Company's net assets. As at 28 February 2025, the estimated performance fee for the year ending 31 August 2025 is £nil.
- 8** Investments in securities are financial assets designated at fair value through profit or loss on initial recognition. In accordance with FRS 102 and FRS 104, these investments are analysed using the fair value hierarchy described below. Short-term balances are excluded as their carrying value at the reporting date approximates to their fair value.  
The levels are determined by the lowest level of input that is significant to the fair value measurement for the individual investment in its entirety as follows:
  - Level 1** – Investments with prices quoted in an active market;
  - Level 2** – Investments whose fair value is based directly on observable current market prices or is indirectly being derived from market prices; and
  - Level 3** – Investments whose fair value is determined using a valuation technique based on assumptions that are not supported by observable current market prices or are not based on observable market data.

# Notes to Accounts cont'd

## Financial assets at fair value through profit or loss

	28 February 2025				31 August 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Listed investments	346,772	32,860	–	379,632	385,316	24,442	–	409,758
<b>Total</b>	<b>346,772</b>	<b>32,860</b>	<b>–</b>	<b>379,632</b>	<b>385,316</b>	<b>24,442</b>	<b>–</b>	<b>409,758</b>

Listed investments included in fair value Level 1 are actively traded on recognised stock exchanges and the fair value of these investments has been determined by reference to their quoted prices at the reporting date.

Listed investments included in Level 2 are deemed to be illiquid. The fair value of these investments has been determined by reference to their quoted prices at the reporting date.

- 9 Reconciliation of total return on ordinary activities before finance costs and tax to net cash outflow before dividends, interest, purchases and sales:

	Six months to 28 February 2025	Six months to 29 February 2024
	£000	£000
Net return on activities before finance costs and taxation	(7,001)	30,170
Net losses/(gains) on investments	7,923	(29,007)
Currency losses	25	72
Dividend income	(2,807)	(2,930)
Interest income	(78)	(46)
Decrease in creditors	(149)	(2,228)
Increase in debtors	(4)	(105)
<b>Net cash outflow from operations before dividends, interest, purchases and sales</b>	<b>(2,091)</b>	<b>(4,074)</b>



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# Principal Risks and Uncertainties

The principal and emerging risks faced by the Company are; investment objective and strategy, investment performance, financial and economic, share price discount/premium to net asset value, operational and regulatory. These risks have not changed since the publication of the Annual Report and Accounts. The principal and emerging risks and uncertainties facing the Company, together with a summary of the mitigating action the Board takes to manage these risks, are set out on pages 30 and 31 of the Annual Report and Accounts. The Investment Manager monitors portfolio liquidity and manages this to ensure the Company maintains sufficient levels of liquidity to operate effectively. Scottish Oriental's investment portfolio is exposed to market price fluctuations and currency fluctuations which are monitored by the Investment Manager. The Company is also exposed to minimal interest rate risk on interest receivable from bank deposits and interest payable on bank overdraft positions.

## Going Concern

After making enquiries and bearing in mind the nature of the Company's business and assets, the Directors believe that the Company has adequate resources to continue operating for at least twelve months from the date of approval of the condensed financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

## Directors' Responsibility Statement

The Directors are responsible for preparing the half-yearly financial report in accordance with applicable law and regulations. The Directors confirm that, to the best of their knowledge:

- (a) the condensed set of financial statements within the half-yearly financial report, prepared in accordance with Financial Reporting Standard 104 (Interim Financial Reporting), gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- (b) the Interim Management Report includes a fair review of the information required by 4.2.7R of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules (important events that have occurred in the first six months of the Company's financial year, together with their effect on the half-yearly financial statements to 28 February 2025 and a description of the principal risks and uncertainties for the remaining six months of the financial year).
- (c) rule 4.2.8R requires information on related party transactions. No related party transactions have taken place during the first six months of the financial year that have materially affected the financial position of the Company during that period and there have been no changes in the related party transactions described in the last Annual Report and Accounts that could do so.

The half-yearly report for the six months to 28 February 2025 comprises the Interim Management Report, the Directors' Responsibility Statement and a condensed set of financial statements and has not been audited or reviewed by auditors pursuant to the Auditing Practices Board guidance on Review of Interim Financial Information.

By order of the Board

**Jeremy Whitley**

Chairman

30 April 2025

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# Information for Investors

## Financial Diary

Financial year end	31 August
Annual results announced	November
Annual General Meeting	January
Annual dividend paid	February
Half-year end	28 February
Interim results announced	April/May

## Capital Gains Tax

An individual tax payer is currently entitled to an annual total tax free gain of £3,000 (2025/26 tax year) from the sale of any shares and other capital assets. Any gain beyond that amount may be liable to capital gains tax.

For initial investors the apportioned base cost of ordinary shares and warrants for capital gains tax purposes is 92.59p per ordinary share and 37.05p per warrant.

## Where To Find Scottish Oriental's Share Price

The share price can be found on the London Stock Exchange website by using the Company's TIDM code 'SST' within the price search facility.

## The Internet

Scottish Oriental's website provides up-to-date information on the share price, net asset value and discount. We hope you will visit the Company's website at: [www.scottishoriental.com](http://www.scottishoriental.com). Investor Centre from Computershare (Scottish Oriental's registrar) enables you to manage and update your shareholder information. For this purpose you can register free with Investor Centre at [www.investorcentre.co.uk](http://www.investorcentre.co.uk).

## Data Protection

The Company is committed to ensuring the privacy of any personal data provided to it. Further details of the Company's privacy policy can be found on the Company's website [www.scottishoriental.com](http://www.scottishoriental.com).

## Regulatory Status

Since Scottish Oriental is an investment trust pursuant to section 1158 of the Corporation Tax Act 2010, the FCA rules in relation to non-mainstream investment products do not apply to the Company.

## Further Information

If you require any further information please contact Juniper Partners Limited at the address on the following page or by telephone on +44 (0)131 378 0500.

## Shareholder Enquiries

For registry queries contact Computershare by telephone on +44 (0)370 707 1307.

You can also manage your shareholding online at [www.investorcentre.co.uk](http://www.investorcentre.co.uk).

If you have not used this service before, you will need to register your account. In order to do so, you will need your Shareholder Reference Number (SRN) which can be found on a recent share certificate or dividend cheque.

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# Company Information

## Board of Directors

Jeremy Whitley  
Andrew Baird  
Uma Bhugtiar  
Michelle Paisley  
Karen Roydon

## Company Secretary and Administrator

Juniper Partners Limited  
28 Walker Street  
Edinburgh EH3 7HR  
Email: cosec@junipartners.com  
Tel: +44 (0)131 378 0500

## Registered Office

28 Walker Street  
Edinburgh EH3 7HR

## Custodian

J.P. Morgan Chase bank N.A.  
25 Bank Street  
Canary Wharf  
London E14 5JP

## Auditor

Johnston Carmichael LLP  
7-11 Melville Street  
Edinburgh EH3 7PE

## Corporate Broker

Investec Bank Plc  
30 Gresham Street  
London EC2V 7QN

## Investment Manager

First Sentier Investors (UK) Investment Management Limited  
23 St Andrew Square  
Edinburgh EH2 1BB  
(Authorised and regulated by the Financial Conduct Authority)  
Tel: +44 (0)131 473 2200

## Alternative Investment Fund Manager

First Sentier Investors (UK) Funds Limited  
15 Finsbury Circus  
London EC2M 7EB

## Registrar

Computershare Investor Services plc  
The Pavilions  
Bridgewater Road  
Bristol BS99 6ZZ

## Depository

J.P. Morgan Europe Limited  
25 Bank Street  
Canary Wharf  
London E14 5JP

## Company Website

[www.scottishoriental.com](http://www.scottishoriental.com)

## Company Number

SC156108

# aic

The Association of  
Investment Companies

The Scottish Oriental  
Smaller Companies  
Trust plc is a member  
of the Association of  
Investment Companies



**The Scottish Oriental**  
Smaller Companies Trust plc